					DEPARTMENT	ATE OF UTAH OF NATURAL RES		ES .		AMENDE	FOR D REPORT				
					DIVISION OF	FOIL, GAS AND M	IIINIING								
			APPLICATIO	N FOR	PERMIT TO DRILL				1. WELL NAME and NU	<b>JMBER</b> C Tribal 13	H-26-46				
2. TYPE O	F WORK	DRILL NEW WE	LL 📵 REE	ENTER P&/	A WELL DEEPEN V	WELL 💮			3. FIELD OR WILDCAT	T ALTAMC	DNT				
4. TYPE O	F WELL		Oil Well	Coalbe	d Methane Well: NO				5. UNIT or COMMUNIT	FIZATION A	GREEME	NT NAM	E		
6. NAME O	F OPERATOR		ВІ	LL BARRE	TT CORP				7. OPERATOR PHONE	303 312-	8164				
8. ADDRE	SS OF OPERAT		099 18th Stree	et Ste 230	0, Denver, CO, 80202				9. OPERATOR E-MAIL	- ers@billbar	rettcorp co	om			
	AL LEASE NUI	MBER			11. MINERAL OWNERS		<u> </u>		12. SURFACE OWNERS	SHIP					
·		2OG0005500	12 - 'foo')		FEDERAL   INDI	AN 📵 STATE 🕻	_) FE	EE 💭	14. SURFACE OWNER	DIAN (	STATE (		E(_)		
		·	·												
15. ADDR	ESS OF SUKF	ACE OWNER (if b	ox 12 = 1ee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')						
	N ALLOTTEE (	OR TRIBE NAME			18. INTEND TO COMMI				19. SLANT		_		_		
					YES (Submit Co	ommingling Applicati	ion) N	10 📵	VERTICAL DIRECTIONAL HORIZON						
20. LOC	TION OF WEL	L		FO	OTAGES	QTR-QTR	SI	ECTION	TOWNSHIP	RAN	IGE	ME	RIDIAN		
LOCATION AT SURFACE 724 F					SL 360 FEL	SESE		26	4.0 S	6.0	W		U		
Top of Uppermost Producing Zone 743 F					SL 949 FEL	SESE		26	4.0 S	6.0	W		U		
At Total	Depth			800 FS	L 800 FWL	SWSW		26 4.0 S		6.0 W		U			
21. COUN	TY	DUCHESNE			22. DISTANCE TO NEAR	REST LEASE LINE (F 800	eet)		23. NUMBER OF ACRE	<b>ES IN DRILL</b> 640					
					25. DISTANCE TO NEAR (Applied For Drilling o		POOL		26. PROPOSED DEPTI	<b>+</b> 0: 9882 T	VD: 5931				
27. ELEV	ATION - GROU	ND LEVEL			28. BOND NUMBER				29. SOURCE OF DRILL WATER RIGHTS APPR			PLICABL	E		
		7201				LPM8874725				43-18					
String	Hole Size	Casing Size	Length	Weigh		and Cement Info	ormatio	on	Cement		Sacks	Yield	Weight		
COND	26	16	0 - 80	65.0	Unknown	8.8	+		No Used		0	0.0	0.0		
SURF	12.25	9.625	0 - 1800	36.0	J-55 ST&C	8.8		Halliburto	n Light , Type Unkr	nown	270	3.16	11.0		
							Н	Halliburton	Premium , Type Un	known	210	1.36	14.8		
I1	8.75	7	0 - 6380	26.0	P-110 LT&C	9.2	-		Unknown		280	3.14	14.8		
L1	6.125	4.5	0 - 9882	11.6	P-110 LT&C	9.5	+		Unknown No Used		140	0.0	0.0		
			ı		A1	TACHMENTS									
	WE	DIEV THE FOLL	OWING ADI	- 47740	HED IN ACCORDANG	25 WITH THE UT	<b>A</b> II OII	AND GAG	CONCERVATION O	ENERAL	DIII 50				
	VE	KIFT THE FOLL	OWING ARE	ATTAC	THED IN ACCORDANG	SE WITH THE OTA	AH OIL	AND GAS	CONSERVATION G	ENERAL	RULES				
<b>⊯</b> w	ELL PLAT OR I	MAP PREPARED B	Y LICENSED S	SURVEYO	R OR ENGINEER	<b>⊯</b> COM	IPLETE I	DRILLING P	-AN						
<b>I</b> ✓ AF	FIDAVIT OF ST	ATUS OF SURFAC	CE OWNER AG	REEMEN	T (IF FEE SURFACE)	FORM	И 5. IF O	PERATOR I	S OTHER THAN THE LE	EASE OWN	ER				
DIF	RECTIONAL SU	JRVEY PLAN (IF D	DIRECTIONALI	LY OR HO	RIZONTALLY DRILLED)	<b>№</b> ТОРО	OGRAPH	HICAL MAP							
NAME Ve	enessa Langma	cher		TITL	<b>E</b> Senior Permit Analyst		PHONE 303 312-8172								
SIGNATU	RE			DAT	<b>E</b> 06/27/2012		E	EMAIL vlang	macher@billbarrettcorp	o.com					
	BER ASSIGNEI 01351507			APP	ROVAL			Bol	ogill						
								Permi	nit Manager						

#### **DRILLING PLAN**

## BILL BARRETT CORPORATION

LC Tribal 13H-26-46

SHL: SE SE, 724' FSL and 360' FEL, Section 26, T4S-R6W BHL: SW SW, 800' FSL and 800' FWL, Section 26, T4S-R6W Duchesne Co., UT

Bill Barrett Corporation (BBC) intends to drill a horizontal through the prospective zone within the Uteland Butte.

## 1 - 3. <u>Estimated Tops of Geological Markers and Formations Expected to Contain Water, Oil and Gas and Other Minerals</u>

#### HORIZONTAL LEG FORMATION TOPS

	O TORWINITON T	
<u>Formation</u>	<u>Depth – MD</u>	Depth - TVD
Green River	2,136'	2,136'
Surface casing	1,950'	1,950'
Mahogany	2,651'	2,651'
TGR3	3,876'	3,876'
Douglas Creek	4,666'	4,666'
3 PT Marker	5,026'	5,026'
Black Shale Facies	5,411'	5,411'
Castle Peak	5,637'	5,635'
*Uteland Butte	6,041'	5,948'
CR1A Base	6,288'	6,288'
TD	9,882'	5,931'

#### \*PROSPECTIVE PAY

The Uteland Butte is the primary objective for oil/gas.

Base of Useable Water = 4,800'

#### 4. Casing Program

<b>Hole</b>	SETTING DEPTH		Casing	Casing	Casing		
<u>Size</u>	(FROM)	(TO)	<u>Size</u>	<b>Weight</b>	<u>Grade</u>	<u>Thread</u>	<b>Condition</b>
12-1/4"	surface	1,800'	9 5/8"	36.0 ppf	J or K 55	ST&C	New
8 3/4"	surface	6,380'	7"	26.0 ppf	P-110	LT&C	New
6 1/8"	surface	9,882'	4 1/2	11.6 ppf	P-110	LT&C	New
			Liner with				
			4-1/2"				
			Tieback				
			for frac				

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Drilling Plan LC Tribal 13H-26-46 Duchesne Co., UT

#### 5. <u>Cementing Program</u>

9 5/8" Surface Casing	Lead with approximately 270 sx Halliburton Light Premium
	cement with additives mixed at 11.0 ppg (yield = 3.16
	ft <sup>3</sup> /sx). TOC @ Surface
	Tail with 210 sx Premium 14.8 ppg (yield = $1.36 \text{ ft}^3/\text{sx}$ )
	calculated hole volume with 75% excess. TOC @ 1,450'
	Top out cement, if required: 100 sx of Premium cement with
	additives mixed at 15.8 ppg (yield = 1.17 ft <sup>3</sup> /sk)
7" Intermediate Casing	Lead with approximately 280 sx Tune Light cement with
	additives, mixed at 11.0 ppg (yield = $3.14 \text{ ft}^3/\text{sx}$ ). TOC @
	1,450'
	Tail with approximately 140 sx Halliburton Econocem
	cement with additives mixed at 13.5 ppg (yield = 1.42
	$ft^3/sx$ ). TOC @ 4,463°
4 ½" Liner with 4-1/2" Tieback to	The liner will either be cemented with 300 sx 13.5 ppg
surface	Econocem from TD to the TOL or
	uncemented with 14-16 open hole packers.
Note: Top of Tail cement for the in	termediate string will be calculated to 1000' above the KOP

Note: Top of Tail cement for the intermediate string will be calculated to 1000' above the KOP using gauge hole plus 50% excess. Lead to 200' inside of surface casing.

#### 6. Mud Program

Interval	Weight	<b>Viscosity</b>	Fluid Loss	<u>Remarks</u>
			(API filtrate)	
40' – 1,950'	8.4 - 8.8	26 - 36	NC	Freshwater Spud Mud Fluid
				System
1,950' – 6,380'	8.9 - 9.2	26 - 36	NC	Fresh Water with sweeps
6,380' – TD	9.0 - 9.5	45 - 58	4 – 10	Fresh Water PHPA

Note: Sufficient mud materials to maintain mud properties, control lost circulation and to contain "kicks" will be available at wellsite. BBC may require minor amounts of diesel to be added to its fluid system in order to reduce torque and drag.

#### 7. BOP and Pressure Containment Data

<b>Depth Intervals</b>	BOP Equipment								
0 – 1,950'	No pressure control required								
1,950' – TD									
11" 5000# Annular BOP									
- Drilling spool to a	accommodate choke and kill lines;								
- Ancillary and cho	ke manifold to be rated @ 5000 psi;								
- Ancillary equipme	ent and choke manifold rated at 5,000#. All BOP and BOPE tests will be in								
accordance with the	ne requirements of onshore Order No. 2;								
- The BLM and the	State of Utah Division of Oil, Gas and Mining will be notified 24 hours in								
advance of all BC	OP pressure tests.								

- BOP hand wheels may be underneath the sub-structure of the rig if the drilling rig used is set up to operate most efficiently in this manner.

Drilling Plan LC Tribal 13H-26-46 Duchesne Co., UT

#### 8. Auxiliary Equipment

a) Upper kelly cock; lower Kelly cock will be installed while drilling

- b) Inside BOP or stab-in valve (available on rig floor)
- c) Safety valve(s) and subs to fit all string connections in use
- d) Mud monitoring will be visually observed

#### 9. Testing, Logging and Core Programs

Cores	None anticipated;
Testing	None anticipated; drill stem tests may be run on shows of interest;
Sampling	30' to 50' samples; surface casing to TD. Preserve samples all show intervals;
Surveys	MWD with GR as needed to land wellbore;
WL Logging	None in intermediate
Note: FMI an	d CAL may be run on the lateral portion of the horizontal wellbore at the geologist's
discretion	-

#### 10. Anticipated Abnormal Pressures or Temperatures

No abnormal pressures or temperatures or other hazards are anticipated.

Maximum anticipated bottom hole pressure equals approximately 2929 psi\* and maximum anticipated surface pressure equals approximately 1625 psi\*\* (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

\*Max Mud Wt x 0.052 x TD = A (bottom hole pressure)

#### 11. <u>Location and Type of Water Supply</u>

Water for the drilling and completion will be trucked from the Duchesne City Culinary Water Dock located in Sec. 1, T4S, R5W.

#### 12. Drilling Schedule

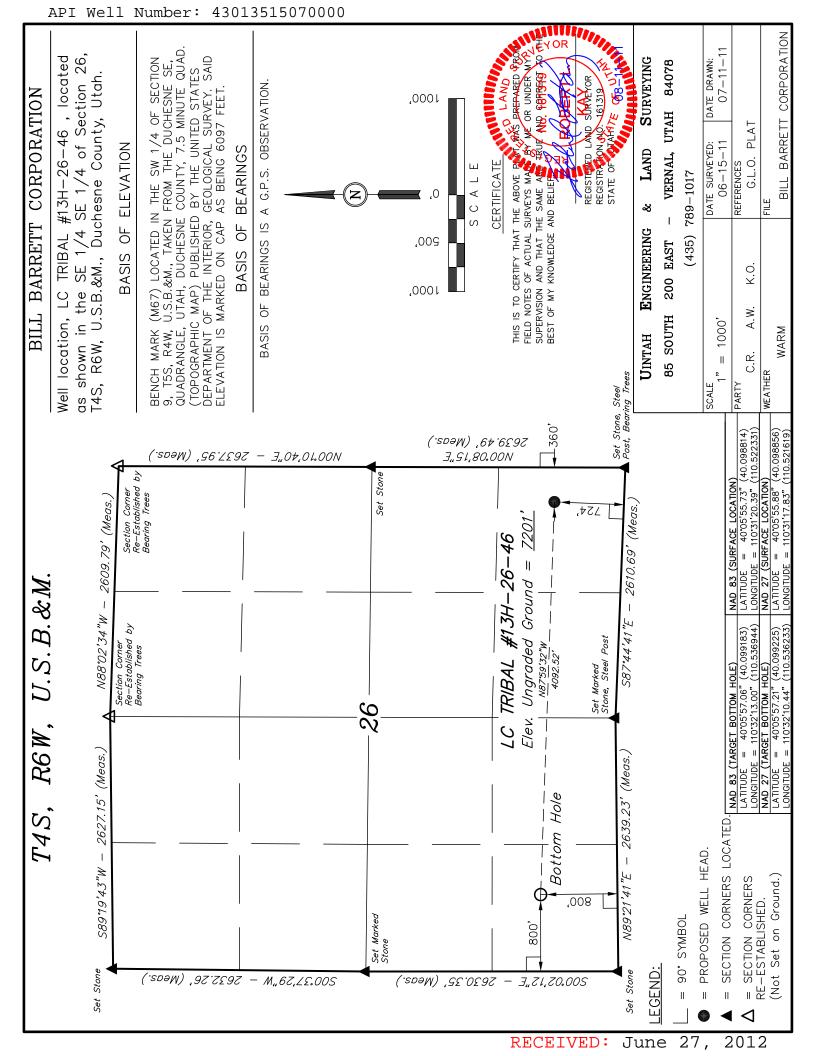
Location Construction: July 2012 Spud: July 2012

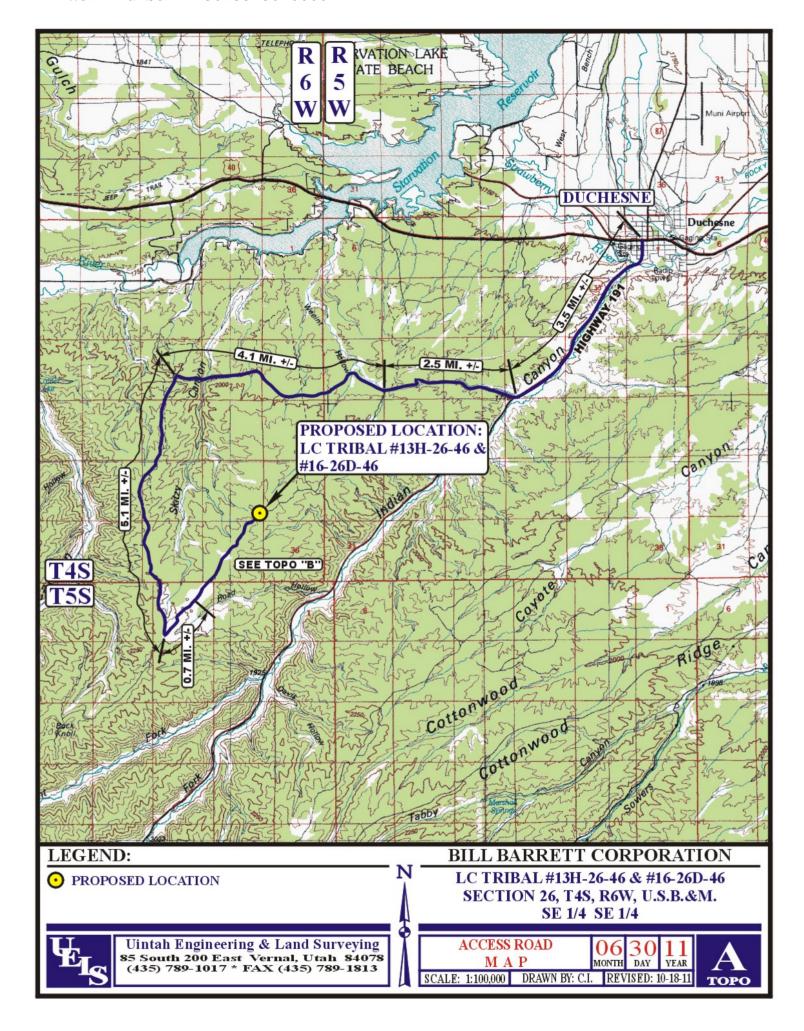
Duration: 25 days drilling time

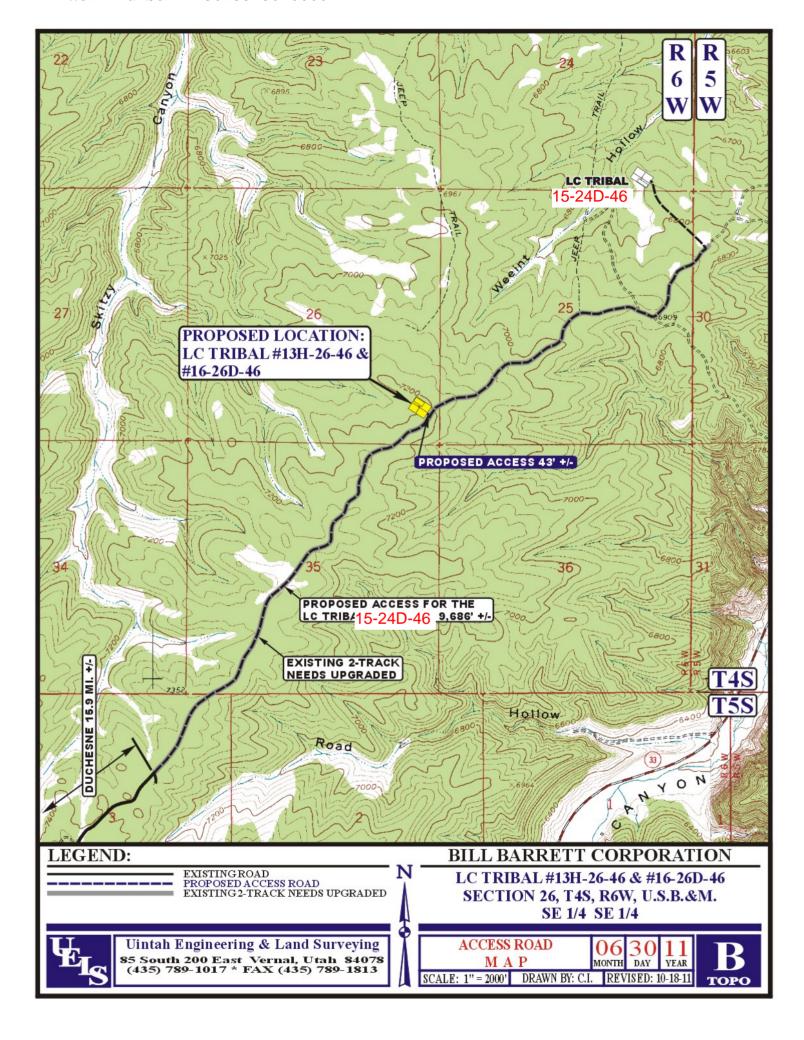
25 days completion time

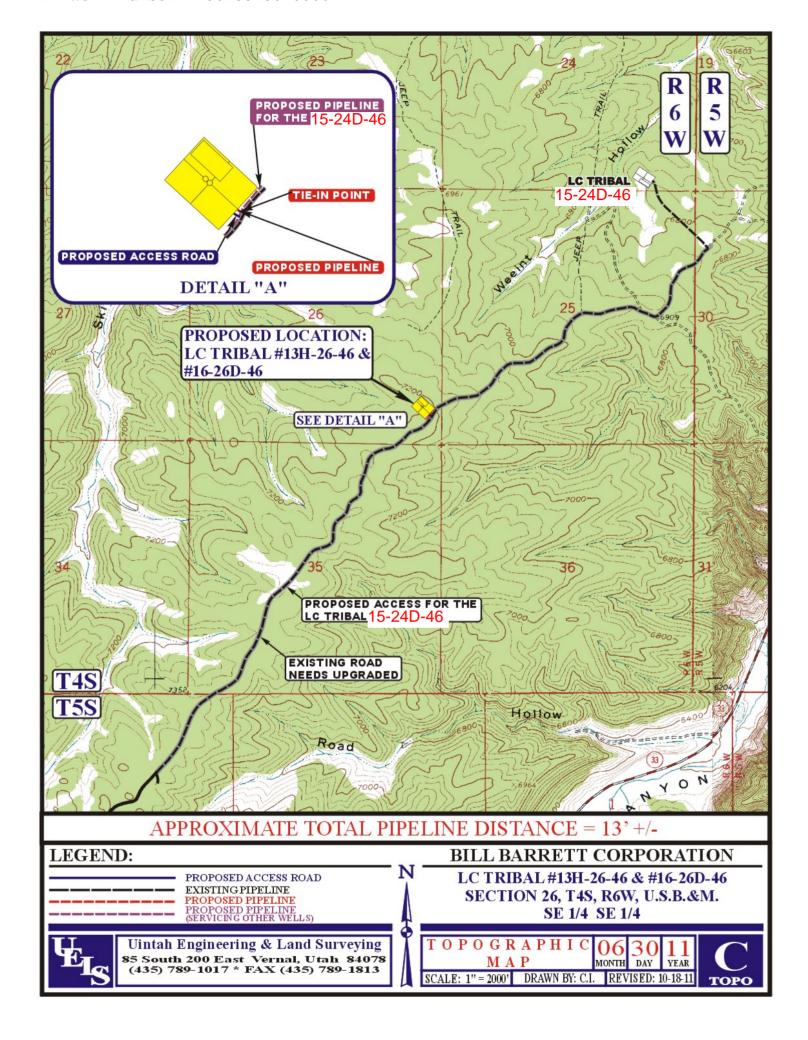
RECEIVED: June 27, 2012

<sup>\*\*</sup>Maximum surface pressure = A - (0.22 x TD)









43013515070000 Number:

**Bill Barrett Corporation** 

**COMPANY DETAILS: BILL BARRETT CORP** 

Calculation Method: Minimum Curvature

Error System: ISCWSA

Scan Method: Closest Approach 3D

Error Surface: Elliptical Conic Warning Method: Error Ratio

SITE DETAILS: 13H-26-46 LC Tribal Lake Canyon

Site Latitude: 40° 5' 55.882 N Site Longitude: 110° 31' 17.828 W

Positional Uncertainity: 0.0 Convergence: 0.63 Local North: True

WELL DETAILS: 13H-26-46 LC Tribal

Ground Level: 7201.0

Longitude 110° 31' 17.828 W +N/-S +E/-W Northing Easting Latittude 0.0 0.0 644550.29 2273687.44

Slot 40° 5' 55.882 N

WELLBORE TARGET DETAILS (LAT/LONG)

Name **TVD** +N/-S +E/-W Latitude Longitude Shape

110° 32' 10.439 W Rectangle (Sides: L200.0 W200.0) 13H-26-46 LC Tribal PBHL5931.0 134.7 -4088.1 40° 5' 57.210 N

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.0	
2	5463.0	0.00	0.00	5463.0	0.0	0.0	0.00	0.00	0.0	
3	6380.2	91.71 2	271.89	6035.7	19.4	-589.8	10.00	271.89	590.1	
4	9882.0	91.71 2	271.89	5931.0	134.7-	4088.1	0.00	0.00	4090.4	
5	9882.0	0.00	0.00	5931.0	134.7-	4088.1	0.00	180.00	4090.4	13H-26-46 LC Tribal PBI

FORMATION TOP DETAILS TVDPath **MDPath** Formation Wasatch Green River Mahogany 2136.0 2651.0 2136.0 2651.0 3876.0 3876.0 TGR3 Douglas Creek 4666.0 4666.0 5026.0 5026.0 3PT MKR Black Shale Facies Castle Peak 5411.0 5635.2 5411.0 5637.9 5948.0 6041.3 Uteland Butte 6186.7 CR 1A Base 6031.1 6288.2

#### CASING DETAILS

No casing data is available

CR 1A Base

1500

Vertical Section at 271.89° (1500 ft/in)

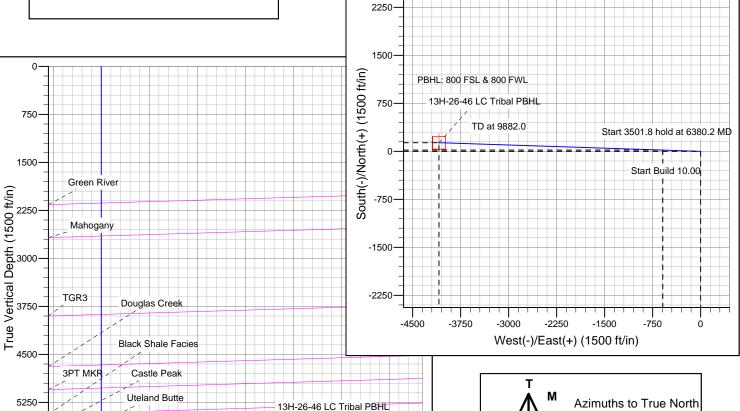
6000

-750

Wasatch

Ó

750



3750

4500

3000

Azimuths to True North Magnetic North: 11.40°

Magnetic Field Strength: 52136.1snT Dip Angle: 65.73° Date: 4/20/2012 Model: IGRF2010

## **BILL BARRETT CORP**

DUCHESNE COUNTY, UT (NAD 27) 13H-26-46 LC Tribal 13H-26-46 LC Tribal

13H-26-46 LC Tribal

Plan: Design #1

## **Standard Planning Report**

20 April, 2012

#### **Bill Barrett Corp**

Planning Report

Compass Database:

Company: **BILL BARRETT CORP** 

Project: DUCHESNE COUNTY, UT (NAD 27) Site: 13H-26-46 LC Tribal

Well: 13H-26-46 LC Tribal Wellbore: 13H-26-46 LC Tribal

Design #1 Design:

**Local Co-ordinate Reference:** 

**TVD Reference:** MD Reference: North Reference:

**Survey Calculation Method:** 

Well 13H-26-46 LC Tribal

KB @ 7217.0ft (Original Well Elev) KB @ 7217.0ft (Original Well Elev)

True

Minimum Curvature

Project DUCHESNE COUNTY, UT (NAD 27)

US State Plane 1927 (Exact solution) Map System: NAD 1927 (NADCON CONUS) Geo Datum:

Utah Central 4302 Map Zone:

System Datum: Ground Level

13H-26-46 LC Tribal Site

Northing: 644,550.29 ft Site Position: Latitude: 40° 5' 55.882 N From: Lat/Long Easting: 2,273,687.44 ft Longitude: 110° 31' 17.828 W **Position Uncertainty:** 0.0 ft Slot Radius: **Grid Convergence:** 0.63 °

Well 13H-26-46 LC Tribal **Well Position** +N/-S 0.0 ft Northing: 644,550.29 ft Latitude: 40° 5' 55.882 N +E/-W 0.0 ft Easting: 2,273,687.44 ft Longitude: 110° 31' 17.828 W **Position Uncertainty** 0.0 ft Wellhead Elevation: ft **Ground Level:** 7,201.0 ft

Wellbore 13H-26-46 LC Tribal Magnetics **Model Name** Sample Date Declination **Dip Angle** Field Strength (nT) (°) (°) IGRF2010 4/20/2012 11.40 65.73 52,136

Design #1 Design Audit Notes: Version: Phase: PLAN Tie On Depth: 0.0 Vertical Section: Depth From (TVD) +N/-S +E/-W Direction (ft) (ft) (ft) (°) 0.0 0.0 0.0 271.89

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.0	0.00	0.00	0.0	0.0	0.0	0.00	0.00	0.00	0.00	
5,463.0	0.00	0.00	5,463.0	0.0	0.0	0.00	0.00	0.00	0.00	
6,380.2	91.71	271.89	6,035.7	19.4	-589.8	10.00	10.00	0.00	271.89	
9,882.0	91.71	271.89	5,931.0	134.7	-4,088.1	0.00	0.00	0.00	0.00	
9,882.0	0.00	0.00	5,931.0	134.7	-4,088.1	0.00	0.00	0.00	180.00	13H-26-46 LC Tribal I

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### **Bill Barrett Corp**

**Planning Report** 

Database: Compass

Company: **BILL BARRETT CORP** 

Project: DUCHESNE COUNTY, UT (NAD 27) 13H-26-46 LC Tribal Site:

Well: 13H-26-46 LC Tribal 13H-26-46 LC Tribal Wellbore:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** Minimum Curvature

Well 13H-26-46 LC Tribal

KB @ 7217.0ft (Original Well Elev) KB @ 7217.0ft (Original Well Elev)

Design: Design #1

ned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00	0.00
100.0	0.00	0.00	100.0	0.0	0.0	0.0	0.00	0.00	0.00
200.0	0.00	0.00	200.0	0.0	0.0	0.0	0.00	0.00	0.00
300.0	0.00	0.00	300.0	0.0	0.0	0.0	0.00	0.00	0.00
400.0	0.00	0.00	400.0	0.0	0.0	0.0	0.00	0.00	0.00
500.0	0.00	0.00	500.0	0.0	0.0	0.0	0.00	0.00	0.00
600.0	0.00	0.00	600.0	0.0	0.0	0.0	0.00	0.00	0.00
700.0	0.00	0.00	700.0	0.0	0.0	0.0	0.00	0.00	0.00
800.0	0.00	0.00	0.008	0.0	0.0	0.0	0.00	0.00	0.00
900.0	0.00	0.00	900.0	0.0	0.0	0.0	0.00	0.00	0.00
1,000.0	0.00	0.00	1,000.0	0.0	0.0	0.0	0.00	0.00	0.00
1,100.0	0.00	0.00	1,100.0	0.0	0.0	0.0	0.00	0.00	0.00
1,200.0	0.00	0.00	1,200.0	0.0	0.0	0.0	0.00	0.00	0.00
1,300.0	0.00	0.00	1,300.0	0.0	0.0	0.0	0.00	0.00	0.00
1,400.0	0.00	0.00	1,400.0	0.0	0.0	0.0	0.00	0.00	0.00
1,500.0	0.00	0.00	1,500.0	0.0	0.0	0.0	0.00	0.00	0.00
1,600.0	0.00	0.00	1,600.0	0.0	0.0	0.0	0.00	0.00	0.00
1,700.0	0.00	0.00	1,700.0	0.0	0.0	0.0	0.00	0.00	0.00
1,800.0	0.00	0.00	1,800.0	0.0	0.0	0.0	0.00	0.00	0.00
1,900.0	0.00	0.00	1,900.0	0.0	0.0	0.0	0.00	0.00	0.00
2,000.0	0.00	0.00	2,000.0	0.0	0.0	0.0	0.00	0.00	0.00
2,100.0	0.00	0.00	2,100.0	0.0	0.0	0.0	0.00	0.00	0.00
2,136.0	0.00	0.00	2,136.0	0.0	0.0	0.0	0.00	0.00	0.00
Green River	0.00	0.00	2,.00.0	0.0	0.0	0.0	0.00	0.00	0.00
2,200.0	0.00	0.00	2,200.0	0.0	0.0	0.0	0.00	0.00	0.00
2,300.0	0.00	0.00	2,300.0	0.0	0.0	0.0	0.00	0.00	0.00
2,400.0	0.00	0.00	2,400.0	0.0	0.0	0.0	0.00	0.00	0.00
2,500.0	0.00	0.00	2,500.0	0.0	0.0	0.0	0.00	0.00	0.00
2,600.0	0.00	0.00	2,600.0	0.0	0.0	0.0	0.00	0.00	0.00
2,651.0	0.00	0.00	2,651.0	0.0	0.0	0.0	0.00	0.00	0.00
Mahogany	0.00	0.00	2,001.0	0.0	0.0	0.0	0.00	0.00	0.00
2,700.0	0.00	0.00	2,700.0	0.0	0.0	0.0	0.00	0.00	0.00
2,800.0	0.00	0.00	2,800.0	0.0	0.0	0.0	0.00	0.00	0.00
2,900.0	0.00	0.00	2,900.0	0.0	0.0	0.0	0.00	0.00	0.00
3,000.0	0.00	0.00	3,000.0	0.0	0.0	0.0	0.00	0.00	0.00
3,100.0 3,200.0	0.00 0.00	0.00 0.00	3,100.0 3,200.0	0.0 0.0	0.0 0.0	0.0 0.0	0.00 0.00	0.00 0.00	0.00 0.00
3,300.0	0.00	0.00	3,300.0	0.0	0.0	0.0	0.00	0.00	0.00
3,400.0	0.00	0.00	3,400.0	0.0	0.0	0.0	0.00	0.00	0.00
3,500.0	0.00	0.00	3,500.0	0.0	0.0	0.0	0.00	0.00	0.00
3,600.0	0.00	0.00	3,600.0	0.0	0.0	0.0	0.00	0.00	0.00
3,700.0	0.00	0.00	3,700.0	0.0	0.0	0.0	0.00	0.00	0.00
3,800.0	0.00	0.00	3,800.0	0.0	0.0	0.0	0.00	0.00	0.00
3,876.0	0.00	0.00	3,876.0	0.0	0.0	0.0	0.00	0.00	0.00
TGR3									
3,900.0	0.00	0.00	3,900.0	0.0	0.0	0.0	0.00	0.00	0.00
4,000.0	0.00	0.00	4,000.0	0.0	0.0	0.0	0.00	0.00	0.00
4,100.0	0.00	0.00	4,100.0	0.0	0.0	0.0	0.00	0.00	0.00
4,200.0	0.00	0.00	4,200.0	0.0	0.0	0.0	0.00	0.00	0.00
4,300.0	0.00	0.00	4,300.0	0.0	0.0	0.0	0.00	0.00	0.00
4,400.0	0.00	0.00	4,400.0	0.0	0.0	0.0	0.00	0.00	0.00
4,500.0	0.00	0.00	4,500.0	0.0	0.0	0.0	0.00	0.00	0.00
4,600.0	0.00	0.00	4,600.0	0.0	0.0	0.0	0.00	0.00	0.00

RECEIVED: June 27, 2012

DUCHESNE COUNTY, UT (NAD 27)

## **Bill Barrett Corp**

**Planning Report** 

Database: Compass

Project:

Company: BILL BARRETT CORP

 Site:
 13H-26-46 LC Tribal

 Well:
 13H-26-46 LC Tribal

 Wellbore:
 13H-26-46 LC Tribal

Design: Design #1

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well 13H-26-46 LC Tribal

KB @ 7217.0ft (Original Well Elev) KB @ 7217.0ft (Original Well Elev)

True

Minimum Curvature

ign:	Design #1								
nned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,666.0	0.00	0.00	4,666.0	0.0	0.0	0.0	0.00	0.00	0.00
Douglas C	reek								
4,700.0		0.00	4,700.0	0.0	0.0	0.0	0.00	0.00	0.00
4,800.0		0.00	4,800.0	0.0	0.0	0.0	0.00	0.00	0.00
4,900.0		0.00	4,900.0	0.0	0.0	0.0	0.00	0.00	0.00
5,000.0	0.00	0.00	5,000.0	0.0	0.0	0.0	0.00	0.00	0.00
5,026.0	0.00	0.00	5,026.0	0.0	0.0	0.0	0.00	0.00	0.00
3PT MKR									
5,100.0		0.00	5,100.0	0.0	0.0	0.0	0.00	0.00	0.00
5,200.0		0.00	5,200.0	0.0	0.0	0.0	0.00	0.00	0.00
5,300.0		0.00	5,300.0	0.0	0.0	0.0	0.00	0.00	0.00
5,400.0	0.00	0.00	5,400.0	0.0	0.0	0.0	0.00	0.00	0.00
5,411.0	0.00	0.00	5,411.0	0.0	0.0	0.0	0.00	0.00	0.00
Black Shal									
5,463.0		0.00	5,463.0	0.0	0.0	0.0	0.00	0.00	0.00
5,500.0		271.89	5,500.0	0.0	-1.2	1.2	10.00	10.00	0.00
5,600.0		271.89	5,598.7	0.5	-16.3	16.3	10.00	10.00	0.00
5,637.9		271.89	5,635.2	0.9	-26.5	26.5	10.00	10.00	0.00
Castle Pea	ıK								
5,700.0	23.70	271.89	5,693.3	1.6	-48.3	48.3	10.00	10.00	0.00
5,800.0		271.89	5,780.9	3.2	-96.2	96.3	10.00	10.00	0.00
5,900.0		271.89	5,858.9	5.2	-158.6	158.7	10.00	10.00	0.00
6,000.0		271.89	5,924.8	7.7	-233.6	233.7	10.00	10.00	0.00
6,041.3		271.89	5,948.0	8.8	-267.7	267.8	10.00	10.00	0.00
Uteland Bu	ıtte								
6,100.0		271.89	5,976.7	10.5	-318.9	319.1	10.00	10.00	0.00
6,186.7	72.37	271.89	6,009.1	13.2	-399.2	399.4	10.00	10.00	0.00
CR 1									
6,200.0		271.89	6,013.0	13.6	-411.9	412.1	10.00	10.00	0.00
6,288.2		271.89	6,031.1	16.4	-498.1	498.4	10.00	10.00	0.00
CR 1A Bas		271.00	6 022 F	16.0	E00.9	E10.0	10.00	10.00	0.00
6,300.0	83.70	271.89	6,032.5	16.8	-509.8	510.0	10.00	10.00	0.00
6,380.2		271.89	6,035.7	19.4	-589.8	590.1	10.00	10.00	0.00
6,400.0		271.89	6,035.1	20.1	-609.6	609.9	0.00	0.00	0.00
6,500.0		271.89	6,032.2	23.4	-709.5	709.9	0.00	0.00	0.00
6,600.0 6,700.0		271.89 271.89	6,029.2 6,026.2	26.7 30.0	-809.4 -909.3	809.8 909.8	0.00 0.00	0.00 0.00	0.00 0.00
6,800.0		271.89	6,023.2	33.3	-1,009.2	1,009.7	0.00	0.00	0.00
6,900.0		271.89	6,020.2	36.6	-1,109.1 1,200.0	1,109.7	0.00	0.00	0.00
7,000.0 7,100.0		271.89 271.89	6,017.2 6,014.2	39.8 43.1	-1,209.0 -1,308.9	1,209.6 1,309.6	0.00 0.00	0.00 0.00	0.00 0.00
7,100.0		271.89	6,011.2	46.4	-1,308.9	1,409.5	0.00	0.00	0.00
7,300.0 7,400.0		271.89 271.89	6,008.2 6,005.2	49.7 53.0	-1,508.7 -1,608.6	1,509.5 1,609.5	0.00 0.00	0.00 0.00	0.00 0.00
7,400.0 7,500.0		271.89	6,005.2 6,002.2	53.0 56.3	-1,608.6 -1,708.5	1,709.5	0.00	0.00	0.00
7,600.0		271.89	5,999.3	59.6	-1,708.3	1,809.4	0.00	0.00	0.00
7,700.0		271.89	5,996.3	62.9	-1,908.3	1,909.3	0.00	0.00	0.00
								0.00	0.00
7,800.0 7,900.0		271.89 271.89	5,993.3 5,990.3	66.2 69.5	-2,008.2 -2,108.1	2,009.3 2,109.2	0.00 0.00	0.00	0.00
8,000.0		271.89	5,987.3	72.8	-2,108.1	2,109.2	0.00	0.00	0.00
8,100.0		271.89	5,984.3	76.1	-2,307.9	2,309.1	0.00	0.00	0.00
8,200.0		271.89	5,981.3	79.4	-2,407.8	2,409.1	0.00	0.00	0.00
8,300.0		271.89	5,978.3			2,509.1		0.00	0.00
8,300.0	91.71	2/1.89	5,978.3	82.7	-2,507.7	∠,509.1	0.00	0.00	0.00

DUCHESNE COUNTY, UT (NAD 27)

#### **Bill Barrett Corp**

**Planning Report** 

Database: Compass

Project:

Company: **BILL BARRETT CORP** 

13H-26-46 LC Tribal Site: Well: 13H-26-46 LC Tribal Wellbore: 13H-26-46 LC Tribal Design:

Design #1

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

**Survey Calculation Method:** 

Well 13H-26-46 LC Tribal

KB @ 7217.0ft (Original Well Elev) KB @ 7217.0ft (Original Well Elev)

True

Minimum Curvature

ned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
8,400.0	91.71	271.89	5,975.3	85.9	-2,607.6	2,609.0	0.00	0.00	0.00
8,500.0	91.71	271.89	5,972.3	89.2	-2,707.5	2,709.0	0.00	0.00	0.00
8,600.0	91.71	271.89	5,969.3	92.5	-2,807.4	2,808.9	0.00	0.00	0.00
8,700.0	91.71	271.89	5,966.4	95.8	-2,907.3	2,908.9	0.00	0.00	0.00
8,800.0	91.71	271.89	5,963.4	99.1	-3,007.2	3,008.8	0.00	0.00	0.00
8,900.0	91.71	271.89	5,960.4	102.4	-3,107.1	3,108.8	0.00	0.00	0.00
9,000.0	91.71	271.89	5,957.4	105.7	-3,207.0	3,208.7	0.00	0.00	0.00
9,100.0	91.71	271.89	5,954.4	109.0	-3,306.9	3,308.7	0.00	0.00	0.00
9,200.0	91.71	271.89	5,951.4	112.3	-3,406.8	3,408.7	0.00	0.00	0.00
9,300.0	91.71	271.89	5,948.4	115.6	-3,506.7	3,508.6	0.00	0.00	0.00
9,400.0	91.71	271.89	5,945.4	118.9	-3,606.6	3,608.6	0.00	0.00	0.00
9,500.0	91.71	271.89	5,942.4	122.2	-3,706.5	3,708.5	0.00	0.00	0.00
9,600.0	91.71	271.89	5,939.4	125.5	-3,806.4	3,808.5	0.00	0.00	0.00
9,700.0	91.71	271.89	5,936.4	128.8	-3,906.3	3,908.4	0.00	0.00	0.00
9,800.0	91.71	271.89	5,933.5	132.0	-4,006.2	4,008.4	0.00	0.00	0.00
9,882.0	0.00	0.00	5,931.0	134.7	-4,088.1	4,090.4	111.84	-111.84	0.00

Formations						
	Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
	2,136.0	2,136.0	Green River		-1.71	271.89
	2,651.0	2,651.0	Mahogany		-1.71	271.89
	3,876.0	3,876.0	TGR3		-1.71	271.89
	4,666.0	4,666.0	Douglas Creek		-1.71	271.89
	5,026.0	5,026.0	3PT MKR		-1.71	271.89
	5,411.0	5,411.0	Black Shale Facies		-1.71	271.89
	5,637.9	5,636.0	Castle Peak		-1.71	271.89
	6,041.3	5,956.0	Uteland Butte		-1.71	271.89
	6,186.7	6,021.0	CR 1		-1.71	271.89
	6,288.2	6,046.0	CR 1A Base		-1.71	271.89
		6,076.0	Wasatch		-1.71	271.89

RECEIVED: June 27, 2012

## EASEMENT LEASE AGREEMENT BILL BARRETT CORPORATION'S PHASE 9 DEVELOPMENT

70 1598

LC Tribal #13H-26-46 and #16-26D-46 Wellsite and Access Road
LC Tribal #13H-23-46 and #16-23D-46 Wellsite, Access Road, and Pipeline Corridor
LC Tribal #16H-27-46 Wellsite, Access Road, and Pipeline Corridor
LC Tribal #13H-34-46 and #16-34D-46 Wellsite, Access Road, and Pipeline Corridor
LC Tribal #15-24D-46 Access Road and Pipeline Corridors
LC Tribal #4H-22-46 Access Road and Pipeline Corridors
#16-25D-37 BTR Access Road, Pipeline, and Powerline Corridors

## AVINTAQUIN WILDLIFE MANAGEMENT AREA RABBIT GULCH UNIT OF TABBY MOUNTAIN WILDLIFE MANAGEMENT AREA

## UDWR Easement Lease No. <u>DUCH-1110EA-0232</u>

THIS NON-EXCLUSIVE EASEMENT LEASE AGREEMENT ("Agreement") is made by and between the Utah Division of Wildlife Resources whose address is 1594 West North Temple, Suite 2110, Salt Lake City, Utah 84114-6301 (hereafter "Surface Owner") and Bill Barrett Corporation, whose address is 1099 18<sup>th</sup> Street, Suite 2300, Denver, Colorado 80202 (hereafter "Lessee"). Surface Owner and Lessee are collectively referred to as "the Parties". "Easement Lease" means the lease of an easement or right-of-way, for which the purpose, specific use, rights granted, location, term, fees, and other conditions are set forth herein.

#### **EXHIBITS**

- A.1 Legal Descriptions of Wellsite Perimeter and Access Road for LC Tribal #13H-26-46 and #16-26D-46 Wellsite
- A.2 Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-26-46 and #16-26D-46 Wellsite
- B.1 Legal Description of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #13H-23-46 and #16-23D-46 Wellsite
- B.2 Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-23-46 and #16-23D-46 Wellsite
- C.1 Legal Descriptions of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #16H-27-46 Wellsite
- C.2 Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #16H-27-46 Wellsite
- D.1 Legal Descriptions of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #13H-34-46 and #16-34D-46 Wellsite
- D.2 Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-34-46 and #16-34D-46 Wellsite
- E.1 Legal Descriptions of Access Road and Pipeline Corridor Centerlines for LC Tribal #15-24D-46 Wellsite
- E.2 Depictions of Access Road and Pipeline Corridor for LC Tribal #15-24D-46 Wellsite
- F.1 Legal Descriptions of Access Road and Pipeline Corridor Centerlines for LC Tribal #4H-22-46 Wellsite
- F.2 Depictions of Access Road and Pipeline Corridors LC Tribal #4H-22-46 Wellsite
- G.1 Legal Descriptions of Access Road, Pipeline, and Powerline Corridor Centerlines for #16-25D-37 BTR Wellsite
- G.2 Depictions of Access Road, Pipeline, and Powerline Corridors for #16-25D-37 BTR Wellsite
- H Surface Use and Reclamation Plan for Lessee's Phase 9 Development Program, Lake Canyon and Tabby Mountain Areas, Duchesne County, Utah
- I Reclamation Performance Bond Number LPM9062886

#### SECTION 1 GRANT AND LOCATION OF EASEMENT

- Burdened Property. Surface Owner owns certain real property known to Surface Owner 1.1 as the Rabbit Gulch Unit of the Tabby Mountain Wildlife Management Area ("WMA"). Surface Owner represents that its purposes and uses of owning said WMA is to provide important habitat for wildlife, and to provide wildlife-based recreation for the general public. Surface Owner grants and conveys to Lessee a nonexclusive easement lease ("Easement") for four wellsites ("Wellsites" or "Damage Areas") and supporting access roads, pipelines, and powerline corridors associated with those wellsites and for access roads, pipelines, and powerline corridors associated with wellsites on lands adjacent to the WMA specifically identified herein. The legal descriptions of the wellsite perimeter and the access road, pipeline, and powerline corridors, whichever the case may be, of the portions of the WMA to which Lessee is hereby granted an Easement are set forth in Exhibits A.1, B.1, C.1, D.1, E.1, F.1, and G.1, said property hereafter referred to as "Burdened Property" and approximately depicted in Exhibits A.2, B.2, C.2, D.2, E.2, F.2, and G.2. Lessee shall have a 50-foot wide easement, 25 feet on either side of the pipeline and access road centerlines described respectively in Exhibits A.1, B.1, C.1, D.1, E.1, F.1, and G.1 during the construction of the respective access roads and pipelines, thereafter to be reduced to a 30-foot width, 15 feet on either side of the respective centerlines. Lessee shall have a 150-foot wide easement, 75 feet on either side of the powerline corridor centerline.
- 1.2 Right of Third Parties. This Easement is subject to all valid interests of third parties. Surface Owner claims title in fee simple, but does not warrant to Lessee the validity of title to the Burdened Property. Lessee shall have no claim for damages or refund against Surface Owner for any claimed failure or deficiency of Surface Owner's title to said lands, or for interference by any third party.
- 1.3 Surveys, Maps, and Plans. In executing this Agreement, Surface Owner is relying upon the surveys, plats, diagrams, and/or legal descriptions provided by Lessee. Lessee is not relying upon, and Surface Owner is not making any representations about any surveys, plats, diagrams, and/or legal descriptions provided by Surface Owner.
- 1.4 Headings. The Headings in this Agreement are for convenience only and are not intended to, and shall not be construed to, limit, enlarge, or affect the scope or intent of this Easement nor the meaning of any of its provisions.

### SECTION 2 PURPOSE AND SCOPE OF EASEMENT

- 2.1 Purpose. This Easement is granted for the purpose of ingress and egress for the construction, installation, operation, maintenance, repair, and replacement as necessary of drill pads, pipelines, access roads, and powerlines, subject to and in accordance with the restrictions and conditions set forth herein, in support of Lessee's oil and gas operations on the Burdened Property, and for no other purpose. Lessee agrees that it shall not remove from Surface Owner's property ordinary sand and gravel or wood products of any kind without the appropriate permit or other written authorization from Surface Owner. Any unauthorized use of the Burdened Property shall be considered a material breach of this Agreement.
- 2.2 Number and Kind of Infrastructure. Under this Agreement, Lessee shall have the right to construct, maintain and repair up to three buried pipelines, not to exceed Thirteen (13) inches in diameter, within each pipeline easement corridors described in Exhibits A.1, B.1, C.1, D.1, E.1, F.1 and G.1. No other difference in the number, kind, or size of permanent structures to be constructed on the Burdened Property shall be allowed from that set forth in this Agreement, except production facilities, storage tanks, and such equipment deemed necessary by Lessee for the production of the wells located on the Burdened Property, said production facilities, storage tanks, and such equipment to be located on the Damage Areas. Paving of any road is expressly prohibited.

- 2.3 Raptor-Safe Construction. Power lines shall be raptor safe to ensure compliance with the Migratory Bird Treaty Act. Important design components for raptor protection shall include providing adequate separation between conductors and/or grounded hardware, or insulating hardware or conductors against simultaneous contact if such separation is not possible. Perch guards may also be used to prevent larger raptors from landing on the power poles. Specific guidelines are provided the Avian Power Line Interaction Committee's publications, "Mitigating Bird Collisions with Power Lines: The State of the Art in 1994," and, "Suggested Practices for Raptor Protection on Power Lines: The State of the Art in 2006," prepared for the Edison Electric Institute/Raptor Research Foundation, Washington, D.C. In addition, "The Avian Protection Plan Guidelines" (2005) provides a useful toolbox of measures to mitigate the impacts of power lines on raptors. These documents are available at <a href="http://www.aplic.org">http://www.aplic.org</a>.
- **2.4 Exclusivity.** It is expressly understood and agreed that the right herein granted is non-exclusive. Surface Owner hereby reserves the right to issue other non-exclusive easements, leases, or permits on or across the Burdened Property where such uses are appropriate and compatible, or dispose of the property by sale or exchange.
- **2.5 Permittees.** Lessee may permit its respective employees, agents, contractors, licensees, herein individually referred to as "Permittee" and collectively referred to as "Permittees", to exercise the rights granted herein. Acts or omissions of the Permittees operating under this Easement shall be deemed an act of Lessee.

#### 2.6 Seasonal Restrictions.

- (a) Lessee shall not engage in construction activities on the Burdened Property including and between the dates of November 30 to April 15 ("Seasonal Closure").. Lessee shall have the right to enter the Burdened Property during Seasonal Closure for service, maintenance and repair of its production facilities and the wells to the extent that such service, maintenance and repair could not have reasonably been anticipated or could not reasonably be scheduled for dates outside Seasonal Closure.
- (b) Lessee shall have the right to enter the Burdened Property at any time for emergency activities to prevent environmental damage. Lessee shall notify Surface Owner of such emergency activities in accordance with Section 5 of this Agreement.
- (c) The Parties agree that, except for emergency activities described in Subsection 2.5(b), should activities for major construction or major maintenance or repair projects during Seasonal Closure be desired by Lessee, the Parties shall consult in good faith to determine how such activities might be accomplished without undue harm to wildlife.
- (d) The Parties agree that should extraordinary circumstances arise, including extraordinarily inclement weather, during Seasonal Closure wherein activities permitted under this Agreement would result in significant harm or stress to or for wildlife, the Parties shall consult in good faith to determine how that significant harm or stress might be avoided.
- (e) The Parties agree that should information pertaining to wildlife or vegetation become known to either one or both the Parties, and which would be useful in preventing harm to wildlife or vegetation, the Parties shall consult in good faith to determine how activities allowed under this Agreement might be modified, to the extent the Parties might agree at that time.
- (f) As described in Section 5 of this Agreement, Lessee shall notify Surface Owner of Lessee's activities in some circumstances.

## **SECTION 3 TERM AND RENEWAL**

**3.1 Term Defined**. The term of this Easement is thirty (30) years ("Term"), commencing on the date of the last signature affixed to this Agreement, unless earlier terminated, subject to the terms and conditions set forth in this Agreement, and any valid and exiting rights.

3.2 Renewal of the Easement. Lessee shall have the option to renew this Easement and Lessee may exercise this option by providing written notice of its election to renew at any time within six (6) months but not later than (30) days prior to the Termination Date of the Initial Term of this Easement. Lessee shall not be entitled to renew if it is in default under the terms of this Easement or other agreement with Surface Owner at the time the option to renew is exercised. The terms and conditions of any renewal Term shall be renegotiated under the conditions, rules and laws in effect at the time of renewal. The Parties shall have sixty (60) days to come to agreement on the conditions and value of the easement after Surface Owner's receipt of Lessee's notice of intent to renew. After the aforementioned six-month period, Lessee's option to renew shall be null and void and the Easement shall terminate at the conclusion of this Agreement's Term.

#### **SECTION 4 RENT/PAYMENTS**

All payments are final. There shall be no pro-rata reimbursement of any payments hereunder should the Easement outlined under this Agreement terminate before its Term has lapsed.

- 4.1 Rental Payment. Lessee shall pay a single use payment for the initial Term in the amount of Forty-Five Thousand Two Hundred Four and Thirty-Nine One Hundredths Dollars (\$45,204.39) (\$42,266.13 in Right-of-Way fees, plus \$2,938.26 in Administrative Cost Recovery). Payment is due when Lessee returns this Agreement to Surface Owner appropriately signed and notarized. Surface Owner shall be entitled to additional compensation for any additional Use or User outside the scope of this Easement. Use or User shall not be construed to include affiliates or joint venturers of Lessee so long as the Use or User remains within the scope of this Easement. For purposes of this Agreement,
  - (a) "affiliate" means any entity under common control with Lessee, or under control of Lessee. Control for purposes of this Agreement means 80% or more of the voting interests of the entity being held by the controlling entity.
  - (b) "joint venturer" means a party to an operating agreement, including pooled parties pursuant to state regulations, with respect to a Wellsite serviced by infrastructure located on the Burdened Property.
- **4.2 Administrative Costs.** In approving a request to apportion, assign, or transfer an interest in this Easement, Surface Owner shall be entitled to charge for administrative costs for approving the transfer.
- **Non-Waiver.** Surface Owner's acceptance of a payment shall not be construed to be a waiver of any preceding or existing breach other than the failure to pay the particular payment that was accepted.

#### SECTION 5 NOTIFICATION OF ACTIVITIES

- All notifications shall reference the Easement number and the location of Lessee's activity. Notification of activities covered under this Section shall be in writing, which may include email, and be deemed sufficient if made solely to Surface Owner's Northeastern Region Habitat Manager or Petroleum Biologist. The respective time periods required between notification and commencement of activities covered under this Section may be waived in writing, which may include email, by Surface Owner's Northeastern Region Supervisor, Habitat Manager or Petroleum Biologist.
- **5.2** Lessee shall notify Surface Owner:

- (a) at least Twenty-Four (24) hours prior to any major repair contemplated in Subsection 2.5(a) of Lessee's facilities during Seasonal Closure, if such repair requires the use of heavy equipment such as backhoes or other mechanized earth-moving equipment, heavy boom trucks, or cranes.
- (b) within five (5) business days after the start of emergency activities during Seasonal Closure, said activities contemplated in Subsection 2.5(b).
- 5.3 Regardless of Seasonal Closure restrictions, Lessee shall notify Surface Owner at least three (3) days prior to excavation of any previously reclaimed site, except in cases where such excavation takes place as a result of emergency activities contemplated in Subsection 2.5(b), in which case notification shall take place within five (5) days after the start of emergency activities.
- 5.4 Should future conditions be such that Surface Owner determines there is little wildlife-monitoring value facilitated by Lessee's prior notification, the Parties may amend this Agreement and terminate the prior notification requirements of this Section, to the extent the Parties may mutually agree in writing at the time.

## SECTION 6 CONSTRUCTION, MAINTENANCE AND REPAIR OF EASEMENT AND IMPROVEMENTS AND TRADE FIXTURES

- 6.1 Lessee's Activities. Lessee shall conduct its construction, maintenance and repair operations in accordance with the Surface Use and Reclamation Plan attached as Exhibit H; however, should any provisions of the Surface Use and Reclamation Plan conflict with any provision set forth in the body of this Agreement, the provision in the body of this Agreement shall govern. Lessee shall promptly repair, at its sole cost, all damages to the Burdened Property, and to any improvements, or natural resources such as soil or vegetation resources, thereon which are caused by Lessee's activities. Lessee shall take all reasonable precautions to protect the Burdened Property and any improvements thereon. Any damage to natural resources which are excessive or unnecessary shall be paid to Surface Owner at a price or cost determined by bids or estimates of the cost of repair. All work performed by Lessee shall be completed in a careful and workman-like manner to Surface Owner's satisfaction, free of any claims or liens. Upon completion of any work performed by Lessee, Lessee shall remove all debris and restore the Burdened Property, as nearly as practicable, to the condition it was in prior to commencement of the work. Lessee shall notify Surface Owner in writing within five (5) days after completion of work, to allow Surface Owner to inspect the work.
- 6.2 Waste. Lessee shall commit no waste on the Burdened Property and will make reasonable efforts to keep the property clean. Lessee shall not cause any filling activity on the Burdened Property. This prohibition includes any deposit of rock, earth, ballast, refuse, garbage, waste matter (including chemical, biological or toxic wastes), hydrocarbons, any other pollutants, or other matter in or on the Burdened Property, except as provided under this Agreement or approved in writing by Surface Owner. Ordinary waste committed by third parties on the Burdened Property shall be removed by Lessee, at Lessee's cost. If Lessee fails to comply with this Subsection, Surface Owner may take any steps reasonably necessary to remedy such failure, subject to the notice and right to cure provisions of Section 11. Upon demand by Surface Owner, Lessee shall pay all costs of such remedial action, including, but not limited to the costs of removing and disposing of any material deposited improperly on the Burdened Property. This section shall not in any way limit Lessee's liability under Section 9 below.
- **6.3 Weed Control.** Lessee shall monitor the Burdened Property for noxious weeds, and shall promptly eradicate, at Lessee's own cost, all noxious weeds on the Burdened Property. Lessee shall also control at its own cost any infestation that has spread beyond the boundaries of the Burdened Property if such infestation is reasonably deemed by Surface Owner to have originated on, and spread from, the Burdened Property as evidenced by

weed colonization on the Burdened Property and patterns of weed colonization local to the Burdened Property. Such weed control shall comply with the Utah Noxious Weed Act, any Administrative Rules promulgated therefrom, and County noxious weed control programs. Lessee shall consult with Surface Owner regarding Lessee's control of noxious weeds on the Burdened Property. All methods of chemical weed control shall require prior review and approval of Surface Owner prior to Lessee implementing said chemical control. No aerial spraying without prior approval by Surface Owner is permitted. All earth-moving equipment shall be thoroughly cleaned of soil and other materials that may harbor noxious weed seeds prior to being moved onto Surface Owner's property. If Lessee fails to take action to control noxious weeds within five (5) days following notice from Surface Owner, Surface Owner may undertake control measures, and Lessee shall reimburse Surface Owner upon demand for all costs incurred in implementing such measures. Lessee will continue to be responsible for noxious weed control on the Burdened Property after termination of the Easement until Surface Owner is satisfied with the results and has in written notification released Lessee from its weed control obligations, which notification shall not be unreasonably withheld.

- 6.4 Installation Specifications. Where improvements are buried, they shall be buried at a minimum depth of three (3) feet below the surface of the Burdened Property. For installations within roadways, the improvements shall be buried at a minimum depth of three (3) feet below the road surface or three (3) feet below the bottom of the ditch, whichever applies. Surface Owner reserves the right to inspect the open trench during construction to ensure compliance with the installation specifications.
- 6.5 Pre-construction. Forty-Eight (48) hours prior to commencement of the activities associated with installation of the facilities within the Easement granted herein, Lessee shall notify Surface Owner's Appropriate Regional Habitat Manager to advise of the activities that will occur and an estimated time frame for said activities as depicted on the relevant Exhibit describing said construction on the Burdened Property. Thirty (30) days prior to any subsequent construction or reconstruction by Lessee on the Burdened Property, Lessee shall submit a written plan of construction to Surface Owner's Appropriate Regional Habitat Manager outlining the construction or activity for Surface Owner's approval. During the course of construction, operations, or maintenance, Lessee shall minimize soil erosion and damage to soil. Lessee will not remove any timber or other valuable materials, including, but not limited to, those materials identified or sold as valuable materials, from the Burdened Property until Lessee has received the appropriate permits or other written approval from Surface Owner to remove such valuable materials and has made provisions to compensate Surface Owner for the value of the valuable materials.
- **Road Maintenance.** Maintenance is defined as work normally necessary to preserve and keep the road in satisfactory and functional repair.
  - (a) Lessee herein is responsible for maintaining any roads and access gates on Surface Owner's property used in conjunction with this Agreement; however, the cost of performance of road maintenance and resurfacing shall be allocated on the basis of respective users of said roads. Where one or more authorized party(ies) uses a road, or portion thereof, those parties shall perform or cause to be performed, or contribute or cause to be contributed, that share of maintenance and resurfacing occasioned by such use as hereinafter provided. During periods when a road is being used solely by one party, such party shall maintain that portion of said road so used to the standards equal to or better than those existing at the time use is commenced; provided Surface Owner reserves the right to make reasonable regulations concerning priority of use and maintenance of said roads by it and others.
  - (b) During periods when more than one party is using the same road, or any portion thereof, the parties hereto shall meet and establish necessary maintenance provisions. Such provisions shall include, but shall not be limited to:
    - (1) The appointment of a maintainer, which may be one of the Parties hereto

or any third party, who will perform or cause to be performed at a reasonable and agreed upon rate the maintenance and resurfacing of the road or the portion thereof being used; and

- (2) A method of payment by which each party using said road or a portion thereof, shall pay its pro rata share of the cost incurred by said maintainer in maintaining or surfacing said road or portion thereof.
- **Road Repair**. Lessee shall repair or cause to be repaired at its sole cost and expense that damage to roads used under this Easement in excess of that caused by normal and prudent usage of said roads. Should damage be caused by an unauthorized user, the cost of repair shall be treated as ordinary maintenance and handled as set forth above. Lessee may add or replace gravel on road surfaces on the Burdened Property, but shall not pave any portion of the road without Surface Owner's written consent.
- **Road Restoration.** If Lessee fouls the surfacing by dragging earth from sides or other sources across the road and onto the surface portion of the road, Lessee shall resurface that portion so affected at its sole cost and expense. Where the Easement crosses existing roads, Lessee shall restore roads as near as practicable to their original condition, if any damage occurs to those roads during Lessee's use of this Easement.
- **Road Improvements.** Unless the Parties agree in writing to share the cost of improvements, improvements shall be at the sole expense of the improver.
- **Road Relocation.** Surface Owner may request the relocation of a road in order to protect wildlife, soil, or vegetation resources or minimize damage thereto, so long as the new location does not unreasonably interfere with Lessee's rights herein. The costs of such relocation shall be divided as negotiated and agreed by the Parties.
- **6.11 Resource Damage**. Lessee shall take all reasonable precautions to protect Surface Owner-owned crops and trees. Lessee shall report to Surface Owner any visible resource damage, illegal dumping, or any other change in condition on the Burdened Property that is observed from Lessee's observations of the Easement.

## **SECTION 7 INTERFERENCE**

Lessee shall exercise its rights under this Agreement so as not to unreasonably interfere with Surface Owner's use of the Burdened Property or with the public's ability to use Surface Owner's lands for purposes of lawful recreation, except during periods of construction of Lessee's facilities. Any improvements and trade fixtures constructed by Lessee on the Burdened Property shall be placed and constructed so as to allow reasonably unobstructed movement over and across the Burdened Property.

## **SECTION 8 COMPLIANCE WITH LAWS**

Lessee shall comply with all applicable laws, including all Surface Owner's rules and regulations, and state, county and municipal laws, ordinances, or regulations in effect. Lessee shall obtain and be in possession of all permits and licenses required for the authorized use of the Easement and shall provide proof of such permits/licenses upon request by Surface Owner.

## SECTION 9 ENVIRONMENTAL LIABILITY/RISK ALLOCATION

**9.1 Definition**. "Hazardous Substance" means any substance which now or in the future becomes regulated or defined under any federal, state, or local statute, ordinance, rule, regulation, or other law relating to human health, environmental protection,

contamination or cleanup, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. 9601, et seq.

**9.2 Use of Hazardous Substances**. Lessee covenants and agrees that Hazardous Substances will not be used, stored, generated, processed, transported, handled, released, or disposed of in, on, under, or above the Burdened Property, except in accordance with all applicable local, state, and federal laws.

## 9.3 Current Conditions, Duty of Utmost Care, and Duty to Investigate.

- (a) Surface Owner makes no representation about the condition of the Burdened Property. Hazardous Substances may exist in, on, under, or above the Burdened Property.
- (b) Lessee shall exercise the utmost care with respect to both Hazardous Substances in, on, under, or above the Burdened Property, and any Hazardous Substances that come to be located in, on, under or above the Burdened Property during the Term of this Agreement, along with the reasonably foreseeable acts or omissions of third parties affecting those Hazardous Substances, and the reasonably foreseeable consequences of those acts or omissions. The obligation to exercise utmost care under this Subsection 9.3 includes, but is not limited to, the following requirements:
  - (1) Lessee shall not undertake activities that will cause, contribute to, or exacerbate contamination of the Burdened Property;
  - (2) Lessee shall not undertake activities that damage or interfere with the operation of remedial or restoration activities on the Burdened Property;
  - (3) Lessee shall not undertake any activities that result in the mechanical or chemical disturbance of Burdened Property habitat mitigation, except as reasonably necessary for Lessee's use and occupancy of the Burdened Property, and in such instances will notify Surface Owner prior to undertaking such activities; and
  - (4) Lessee shall allow access to the Burdened Property by employees and authorized agents of the Environmental Protection Agency, the State of Utah or other similar environmental agencies.
- (c) It shall be Lessee's obligation to gather sufficient information to its satisfaction concerning the Burdened Property and the existence, scope and location of any Hazardous Substances on the Burdened Property, or on adjoining property (to the extent reasonably discoverable or ascertainable), as required for Lessee to effectively meet its obligations to comply with all applicable laws regarding such Hazardous Substances.

## 9.4 Notification and Reporting.

- (a) Lessee shall immediately notify Surface Owner if Lessee becomes aware of any of the following:
  - (1) A release or threatened release of Hazardous Substances in, on, under or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property;
  - (2) Any actual or alleged violation of any federal, state, or local statute, ordinance, rule, regulation, or other law pertaining to Hazardous Substances with respect to the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, in the event Lessee observes or is notified of such violations;
  - (3) Any lien or action with respect to any of the foregoing; or

- (4) Any notification from the U.S. Environmental Protection Agency (EPA) or the State of Utah that remediation or removal of Hazardous Substances is or may be required at the Burdened Property.
- (b) Lessee shall, at Surface Owner's request, provide Surface Owner with copies of all reports, studies, or audits which pertain to the Burdened Property, and which are or were prepared by or for Lessee and submitted to any federal, state, or local authorities as required by any federal, state, or local permit, license, or law. These reports or permits may include, but are not limited to, any National or State Pollution Discharge Elimination System Permit, any Army Corps of Engineers permit, any Hydraulics Project Approval or any Water Quality Certification.
- 9.5 Indemnification. Lessee shall fully indemnify, defend, and hold Surface Owner, its director, managers, employees and agents harmless from and against any and all claims, demands, damages, damages to natural resources such as soil, water, vegetation, and wildlife, response costs, remedial costs, cleanup costs, losses, liens, liabilities, penalties, fines, lawsuits, other proceedings, costs, and expenses (including attorney's fees and disbursements), that arise out of or are in any way related to:
  - (a) The use, storage, generation, processing, transportation, handling, or disposal of any Hazardous Substance by Lessee, its contractors, agents, employees, guests, invitees, or affiliates in, on, under, or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, during the term of this Easement or during any time when Lessee occupies or occupied the Property.
  - (b) The release or threatened release of any Hazardous Substance in, on, under, or above the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property, which release or threatened release occurs or occurred during the term of this Easement or during any time when Lessee occupies or occupied the Burdened Property or any such other property and as a result of:
    - (1) Any act or omission of Lessee, its contractors, agents, employees, guests, invitees, or affiliates; or
    - (2) Any reasonably foreseeable act or omission of a third party unless Lessee exercised the utmost care with respect to the reasonably foreseeable acts or omissions of the third party and the reasonably foreseeable consequences of those acts or omissions.
  - (c) A breach of the obligations of Subsection 9.3, above, by Lessee, its contractors, agents, employees, guests, invitees, or affiliates.
- 9.6 Cleanup. If a release of Hazardous Substances occurs in, on, under, or above the Burdened Property or other Surface Owner-owned property arising out of any action, inaction, or event described or referred to in Subsection 9.5 above, Lessee shall, at its sole expense, promptly take all actions necessary or advisable to clean up the Hazardous Substances. Cleanup actions shall include, without limitation, resource restoration, mitigation, removal, containment and remedial actions and shall be performed in accordance with all applicable laws, rules, ordinances, and permits. Lessee's obligation to undertake a cleanup of the Burdened Property under this Subsection 9.6 shall be limited to those instances where the Hazardous Substances exist in amounts that exceed the threshold limits of any applicable federal, state and local regulatory cleanup standards, or where it is determined that there will be continuing damages to natural resources in the absence of a cleanup action. Lessee shall also be solely responsible for all cleanup, administrative, and enforcement costs of governmental agencies, including natural resource damage claims arising out of any action, inaction, or event described or referred to in Subsection 9.5, above. Lessee may take reasonable and appropriate actions without advance approval in emergency situations.

## 9.7 Sampling by Surface Owner, Reimbursement, and Split Samples.

- (a) Surface Owner may conduct sampling, tests, audits, surveys or investigations ("Tests") of the Burdened Property at any time to determine the existence, scope, or effects of Hazardous Substances on the Burdened Property, any adjoining property, or any other property subject to use by Lessee in conjunction with its use of the Burdened Property. If such Tests indicate the existence, release or threatened release of Hazardous Substances arising out of any action, inaction, or event described or referred to in Subsection 9.5, above, Lessee shall promptly reimburse Surface Owner for all costs associated with such Tests.
- (b) Surface Owner's ability to seek reimbursement for any Tests under this Subsection shall be conditioned upon Surface Owner providing Lessee written notice of its intent to conduct any Tests at least thirty (30) calendar days prior to undertaking such Tests, unless such Tests are performed in response to an emergency situation, in which case Surface Owner shall only be required to give such notice as is reasonably practical.
- (c) Lessee shall be entitled to split samples of any Test samples obtained by Surface Owner. The additional cost of any split samples shall be borne solely by Lessee. Any additional costs Surface Owner incurs by virtue of Lessee's split sampling shall be reimbursed to Surface Owner within thirty (30) calendar days after a bill for such costs is sent to Lessee.

## 9.8 Contamination Investigation.

- If Surface Owner has reason to believe that a release or threatened release of Hazardous Substances has occurred on the Burdened Property during Lessee's occupancy, Surface Owner may require Lessee to conduct a Closeout Environmental Assessment (Closeout Assessment) by providing Lessee with written notice of this requirement no later than ninety (90) calendar days prior to the Easement termination date, or within ninety (90) days of any valid notice to terminate the easement earlier than originally agreed. The purpose of the Closeout Assessment shall be to determine the existence, scope, or effects of any Hazardous Substances on the Burdened Property and any associated natural resources. If the initial results of the Closeout Assessment disclose the existence of Hazardous Substances that may have migrated to other property, Surface Owner may require additional Closeout Assessment work to determine the existence, scope, and effect of any Hazardous Substances on adjoining property, any other property subject to use by Lessee in conjunction with its use of the Burdened Property, or on any associated natural resources. The Closeout Assessment may include Sediment Sampling as well as any additional testing requirements Surface Owner may require based on changes in scientific, statutory, or regulatory standards for information concerning the activities of Lessee, its contractors, agents, employees, guests, invitees, or affiliates.
- (b) Prior to undertaking the Closeout Assessment, Lessee shall submit a proposed plan in writing for Surface Owner's approval. The plan shall be provided to Surface Owner within thirty (30) days of Surface Owner's notice requiring the Closeout Assessment. If Surface Owner fails to respond in writing, either approving or disapproving of the proposed plan, within thirty (30) days of its receipt, the proposed plan shall be deemed approved. Lessee shall be responsible for all costs required to complete planning, sampling, analyzing, and reporting associated with the Closeout Assessment.
- 9.9 Reservation of Rights. The Parties have agreed to allocate certain environmental liabilities by the terms of Section 9. With respect to those environmental liabilities covered by the indemnification provisions of Subsection 9.5, that subsection shall exclusively govern the allocation of those liabilities. With respect to any environmental liabilities not covered by Subsection 9.5, the Parties expressly reserve and do not waive or relinquish any rights, claims, immunities, causes of action or defenses relating to the presence, release, or threatened release of Hazardous Substances in, on, under or above the Burdened Property, any adjoining property or any other property subject to use by Lessee in conjunction with its use of the Burdened Property that either Party may have

against the other under federal, state or local laws, including but not limited to, CERLCA, MTCA, and the common law. No right, claim, immunity, or defense either party may have against third parties is affected by this Easement and the Parties expressly reserve all such rights, claims, immunities, and defenses. The allocations of risks, liabilities, and responsibilities set forth above do not release Lessee from or affect Lessee's liability for claims or actions by federal, state, or local regulatory agencies concerning Hazardous Substances.

9.10 Impacts to Wildlife. Lessee, its employees, contractors, successors and assigns shall make reasonable and good faith efforts to protect any legally protected wildlife to the best of their knowledge and ability. Lessee shall report to Surface Owner any harm or threats to harm or harass any legally protected wildlife should Lessee become aware of such harm or threats to harm or harass legally protected wildlife in the ordinary course of its operations on the Burdened Property.

## SECTION 10 PRESERVATION OF SURVEY CORNERS

Lessee shall exercise reasonable care to ensure that all legal land subdivision survey corners and witness objects are preserved. If any survey corners or witness objects are destroyed or disturbed by Lessee, Lessee shall reestablish them by a registered professional engineer or licensed land surveyor in accordance with US General Land Office standards, at Lessee's own expense. Corners and/or witness objects that must necessarily be disturbed or destroyed in the process of construction of improvements and trade fixtures must be adequately referenced and/or replaced in accordance with all applicable laws and regulations in force at the time. The references must be approved by Surface Owner prior to removal of the survey corners and/or witness objects.

#### **SECTION 11 TERMINATION OF EASEMENT**

11.1 Termination for Cause. This Easement shall terminate if Lessee receives notice from Surface Owner that Lessee is in material breach of this Easement and Lessee fails to cure that breach within ninety (90) days of Surface Owner's notice, or such longer period as may be required under the circumstances as approved by Surface Owner. If the breaching party fails to correct such breach or fails to diligently undertake efforts to cure such breach within such period, Surface Owner may terminate this Easement without further notice; provided, however, such termination shall not release the breaching party from liability for damage prior to such termination. In addition to terminating this Easement, Surface Owner shall have any other remedy available to it. Surface Owner's failure to exercise its right to terminate at any time shall not waive Surface Owner's right to terminate for any future breach.

## 11.2 Termination for Non-Use.

- (a) Lessee shall submit to Surface Owner a summary report of Lessee's use of the Easement within thirty (30) days of the first anniversary of this Agreement, and an annual report thereafter, along with a fee of One Hundred Dollars (\$100) for Surface Owner's administration of this Easement; Surface Owner reserves the right to recoup from Lessee additional reasonable administrative costs if Surface Owner's costs are significantly in excess of One Hundred Dollars (\$100).
- (b) Any portion of the Easement that is determined to be unused or abandoned pursuant to this paragraph shall terminate. Lessee shall upon request of Surface Owner execute a release of interest in the portion abandoned under the provisions of this Section. Under the non-use clause, Lessee shall be responsible for surface reclamation and restoration of the Burdened Property in accordance with Section 12 of this Agreement. Any portion of this Easement that is so described by the following conditions shall be deemed to be unused and abandoned:

- (1) Within 365 days of the date of execution of this Agreement, Lessee fails to commence construction and installation of the infrastructure authorized under this Easement, unless otherwise waived by Surface Owner in writing;
- (2) Within two (2) years of the date of execution of this Agreement, Lessee does not obtain production of oil or gas from Lessee's oil and gas interests which relate to the Burdened Property, unless otherwise waived by Surface Owner in writing; or
- (3) If after establishing production, Lessee suspends production or operations for the drilling or reworking of a well on Lessee's oil and gas interests for a period longer than thirty-six (36) consecutive months, unless otherwise waived by Surface Owner in writing.
- 11.3 Voluntary Termination. This Easement may also terminate as to all or part of the Burdened Property if Lessee has satisfied its outstanding obligations as to the part to be relinquished, provides Surface Owner with sixty (60) days written notice of its intent to terminate, and executes a release of interest to the portion terminated in recordable form. Lessee shall not be entitled to a refund for any relinquishment.
- 11.4 Lessee's Obligations. Lessee obligations not fully performed upon termination shall continue until fully performed.

#### **SECTION 12. RECLAMATION**

- **12.1 Timing.** As soon as practicable, following the construction of improvements and trade fixtures, or termination of the Easement, all disturbed land, other than access road driving surfaces for those portions of the Easement not terminated, will be recontoured to the approximate natural contours.
- **Soil**. During construction of access roads, pipelines, and powerlines, any and all topsoil moved or removed will be stockpiled and preserved for present and future project area restoration. Soil from the right of way shall not enter any live stream or open water.
- **12.3 Revegetation**. Lessee will re-establish a successful vegetation cover by reseeding with a seed mixture of shrubs, forbs, and grasses, as specified by Surface Owner. Lessee will not be released from this obligation until Surface Owner has inspected the site for two (2) years following construction and reclamation, and has made a determination that the revegetation is successful, or such time thereafter until re-vegetation has become successful.
- 12.4 Unauthorized Travel. In consultation with Surface Owner, Lessee will undertake reasonable measures, including the placement of signage, cattle guards, trenches, barrier rock or other obstacles, to restrict unauthorized motorized travel, including that of third parties, on or across the Burdened Property. If such measures are not effective in controlling unauthorized motorized travel, Lessee will consult with Surface Owner on additional measures that may be required to restrict such unauthorized motorized travel on the Burdened Property.
- 12.5 Failure to Reclaim. Surface Owner shall have the right, subject to at least sixty (60) days prior notice and a right to cure, to use funds from Lessee's surety bond to complete reclamation or restoration if Lessee fails to do so.

## SECTION 13 OWNERSHIP AND REMOVAL OF IMPROVEMENTS, TRADE FIXTURES, AND EQUIPMENT

**13.1 Improvements.** No Lessee-Owned improvements, other than appurtenances for the rights herein granted, shall be placed on the Burdened Property without Surface Owner's prior written consent.

- 13.2 Ownership of Improvements and Trade Fixtures. Except as provided herein, Lessee shall retain ownership of all improvements and trade fixtures it may place on the Burdened Property (collectively "Lessee Owned Improvements"). Lessee-Owned Improvements shall not include any construction, reconstruction, alteration, or addition to any Unauthorized Improvements as defined in Subsection 13.5 below.
- 13.3 Construction. Issuance of this Easement shall constitute authorization to undertake the initial construction work specified in that agreement without the need for further notice. Subsequent alterations, significant repairs, or new construction shall require advance notice to Surface Owner as contemplated in Section 5.
- 13.4 Removal. Lessee-Owned improvements and trade fixtures that have been installed above or below ground shall be removed by Lessee by the Termination Date unless Surface Owner notifies Lessee in writing that such may remain. If Surface Owner elects to have such above ground improvements remain on the Burdened Property after the Termination Date, they shall become the property of Surface Owner without payment by Surface Owner. If Lessee wishes to leave improvements on the Burdened Property upon expiration of the Easement, Lessee shall notify Surface Owner of such intent at least one hundred eighty (180) days before the Termination Date. Surface Owner shall then have ninety (90) days in which to notify Lessee whether Surface Owner elects to have the improvements removed or to have them remain. Failure to notify Lessee shall be deemed an election by Surface Owner for the improvements to be removed from the Burdened Property. If the improvements remain on the Burdened Property after the Termination Date without Surface Owner's actual or deemed consent, Surface Owner may remove them at Lessee's expense. Surface Owner may require Lessee to abandon improvements and/or trade fixtures, rather than remove them. Such abandonment shall be undertaken in accordance with a plan approved by Surface Owner. Abandonment of buried facilities should be performed in accordance with the appropriate regulations and any applicable permits. Should Surface Owner elect to allow any part of Lessee's improvements or trade fixtures to remain affixed to the Burdened Property, Lessee shall make a diligent and good-faith effort to clean the improvements or trade fixtures using the best industry practices and technologies available at the time, as directed by Surface Owner, in order to minimize as much as reasonably practical, environmental contaminants left on or in the Burdened Property.
- 13.5 Unauthorized Improvements. Improvements made on the Burdened Property without Surface Owner's prior written consent are not authorized ("Unauthorized Improvements"). Surface Owner may, at its option, require Lessee to sever, remove, and dispose of them or allow them to remain upon amendment of this Agreement, at which time all provisions of this Agreement shall apply to the Unauthorized Improvements unless otherwise explicitly stated in the amendment. If Lessee fails to remove an Unauthorized Improvement within sixty (60) days of notification by Surface Owner, Surface Owner may remove the Unauthorized Improvements and charge Lessee for the cost of removal and disposal.

## **SECTION 14 INDEMNITY**

Lessee agrees to protect, indemnify, save and hold harmless Surface Owner, its agents and employees, from and against all claims, demands, damages, and causes of action of every kind or character on account of bodily injuries, death, or damage to property arising because of, for, out of, or in any way connected with the performance of Lessee under this Agreement, except where such injury, death, or damage has resulted from the sole negligence of Surface Owner without negligence or willful act on the part of Lessee, its agents, employees, or subcontractors. Lessee shall defend all suits brought upon such claims and pay all costs and expenses incidental thereto, but Surface Owner shall have the right, at its option, to participate in the defense incidental thereto without relieving Lessee of any obligation hereunder. Lessee's liability to Surface Owner for hazardous substances, and its obligation to indemnify, defend, and hold Surface Owner harmless for hazardous substances, shall be governed exclusively by Section 9.

#### **SECTION 15 FINANCIAL SECURITY**

- 15.1 Bonding. At its own expense, Lessee shall procure and maintain a non-cancellable corporate surety bond or provide other financial security satisfactory to Surface Owner (the "Bond") in an amount equal to One Hundred Fifty-Six Thousand Nine Hundred Ninety-Nine Dollars (\$156,999.00), said amount equivalent to One-Hundred and Fifteen percent (115%) of the estimated costs of reclamation of the Burdened Property and surrounding property affected by Lessee's development activities thereon, which shall secure Lessee's full performance of its obligations under this Agreement. The amount of this bond shall not be deemed to limit any liability of Lessee. The Bond shall be in a form and issued by a surety company acceptable to Surface Owner. Lessee shall maintain the Bond so long as it uses the Easement. The Bond shall be in effect even if Lessee has conveyed all or part of the easement interest to a sublessee, assignee, or subsequent operator until Lessee fully satisfies its obligations, or until the Bond is replaced with a new bond posted by the sublessee assignee or subsequent operator. Said Bond at the date of execution of this Agreement is issued by Fidelity and Deposit Company of Maryland and is identified as Bond Number LPM9062886 (see Exhibit I).
- 15.2 Bond Increase. Lessee agrees that, for the causes stipulated below, at any time during the term of this Easement, Surface Owner may require that the amount of an existing Bond be increased in a sum described below, said Bond to be conditioned upon full compliance with all terms and conditions of this Agreement and the rules relating hereto.
  - (a) Inflation. Surface Owner has the option of requiring the value of the Bond to be adjusted to compensate for inflationary pressures on the dollar. The amount of adjustment shall be determined through the use of the Bureau of Labor Statistics Western Region Urban Consumer Price Index ("Western Region CPI-U"). Said adjustments shall reference the year 2011 Western Region CPI-U, and shall be directly proportional to the percent change in Western Region CPI-U between the year 2011 and the year preceding the date of adjustment.
  - (b) Additional Improvements. Surface Owner has the option of requiring increases in the Bond value for additional improvements authorized under amendments to this Agreement, the increases to be in an amount equivalent to 115% of the estimated costs of reclamation of the Burdened Property and surrounding property affected by Lessee's development activities thereon.
- 15.3 Default. Upon any default by Lessee in its obligations under this Agreement, Surface Owner may collect on the Bond to offset the liability of Lessee to Surface Owner, subject to the notice and right to cure provisions in Sections 11 and 12 herein. Collection on the Bond shall not relieve Lessee of liability, shall not limit any of Surface Owner's other remedies, and shall not rein Surface Owner or cure the default or prevent termination of the Easement because of the default. Should the cost of Lessee's obligations exceed the value of the Bond, Lessee, it's successors and assigns, shall be liable for the costs over and above the bonded amount.

## **SECTION 16 TAXES AND ASSESSMENTS**

Lessee shall promptly pay all taxes, assessments and other governmental charges of any kind whatsoever levied as a result of this Easement or relating to Lessee's improvements and trade fixtures constructed pursuant to this Easement.

## **SECTION 17 ADVANCES BY SURFACE OWNER**

If Surface Owner advances or pays any costs or expenses for or on behalf of Lessee, including, but not limited to taxes, assessments, insurance premiums, costs of removal and disposal of unauthorized materials, costs of removal and disposal of improvements and trade fixtures, or other amounts not paid when due, Lessee shall reimburse Surface Owner the amount paid and shall pay interest on such amount at the rate of one percent (1%) per month from the date Surface Owner notifies Lessee of the advance or payment.

#### **SECTION 18 NOTICE**

Except as provided in Section 5 of this Agreement, any notices required or permitted under this Agreement shall be in writing and personally delivered or mailed by certified mail, return receipt requested, to the following addresses or to such other places as the parties may direct in writing from time to time:

## Surface Owner

Habitat Section
Utah Division of Wildlife Resources
1594 West North Temple, Suite 2110
Salt Lake City, Utah 84114-6301

**AND** 

Habitat Section
Utah Division of Wildlife Resources
152 East 100 North, Suite 9
Vernal, Utah 84078

#### Lessee

Bill Barrett Corporation Attn: Huntington T. Walker Sr. Vice President – Land 1099 18<sup>th</sup> St., Suite 2300 Denver, Colorado 80202

A notice shall be deemed given and delivered upon personal delivery, upon receipt of a confirmation report if delivered by facsimile machine, email or three (3) days after being mailed as set forth above, whichever is applicable.

#### **SECTION 19 RESERVATIONS**

Surface Owner, its successors and assigns, reserves all ownership of the Burdened Property and profits thereon, and the right of use for any and all purposes that do not unreasonably interfere with the rights granted herein, including the right to keep the Burdened Property open for public use for recreation; the right to remove profits from the Burdened Property; the right at all times to cross and recross the Burdened Property at any place on grade or otherwise; and the right to use the Easement for access to and from the lands owned by Surface Owner on both sides of the Easement. Surface Owner may grant to third parties any and all rights reserved. Once Lessee clears or removes any vegetation on the Burdened Property as provided in this Agreement, vegetation that is subsequently grown in such cleared areas shall belong to Surface Owner.

## **SECTION 20 CULTURAL RESOURCES**

It is hereby understood and agreed that all treasure-trove, all articles of antiquity, and critical paleontological resources in or upon the Burdened Property or adjacent lands belonging to Surface Owner are and shall remain the property of Surface Owner. Lessee agrees that all costs associated with archeological and paleontological investigations on

DUCH-1110EA-0232 WSFR W-96-L and W-113-L the Burdened Property that may be required by Surface Owner will be borne by Lessee. Lessee further agrees to cease all activity on the subject lands and immediately notify Surface Owner if any discovery of human remains or a "site" or "specimen," as defined in Section 9-8-302 or 63-73-1 Utah Code Annotated (1953), as amended, is made on the Burdened Property, and continue to cease all construction or maintenance therein until such time as the human remains, "site" or "specimen" in question has been treated to the satisfaction of Surface Owner.

#### **SECTION 21 ASSIGNMENT**

- 21.1 Consent of Surface Owner. Lessee shall not hypothecate, mortgage, assign, transfer or otherwise alienate this Easement, or any interest therein, without the prior written consent of Surface Owner, which shall not be unreasonably withheld. In no case shall such consent operate to relieve Lessee of the responsibilities or liabilities assumed by Lessee hereunder, or be given unless such party is acceptable to Surface Owner and assumes in writing all of the obligations of Lessee under the terms of this Agreement as to the balance of the term thereof, or acquires the rights in trust as security and subject to conditions such as Surface Owner deems necessary. A sublease, conveyance, or assignment must be a sufficient legal instrument, properly executed and acknowledged, and should clearly set forth the easement lease contract number, lands involved, and the name and address of the assignee, and shall include any agreement which transfers control of the Easement to a third party. A copy of the documents subleasing, conveying, or assigning the interest shall be given to Surface Owner prior to Surface Owner's approval or denial of the assignment.
- 21.2 Assignee. Any assignment shall be in keeping with the purposes of this Easement and may only be made to a party qualified to do business in the State of Utah, and which has authority to operate the said facilities, and which is not in default under the laws of the State of Utah relative to qualification to do business within the State, and is not in default on any previous obligation to Surface Owner.
- 21.3 Costs of Assignment. A sublease, conveyance, or assignment may not be approved without reimbursement of Surface Owner's administrative costs associated with said sublease, conveyance, or assignment; and payment of the difference between what was originally paid for the permit, lease, or contract and what the division would charge for the permit, lease, or contract at the time the application for sublease, conveyance, or assignment is submitted.
- 21.4 Effective Date of Assignment. A sublease, conveyance, or assignment shall take effect on the date of Surface Owner's approval of the assignment. On the effective date of any assignment, the assignee is bound by the terms of the lease to the same extent as if the assignee were the original grantee, any conditions in the assignment to the contrary notwithstanding.
- 21.5 Non-Waiver. The consent of Surface Owner to any one assignment shall not constitute a waiver of Surface Owner's right to consent to subsequent assignments, nor shall consent of Surface Owner to any one assignment relieve any party previously liable as Lessee from any obligations under this Agreement. The acceptance by Surface Owner of payment of rent following an assignment shall not constitute consent to any assignment and Surface Owner's consent shall be evidenced only in writing.

#### **SECTION 22 SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns and shall be a covenant running with the land.

#### **SECTION 23 TIME IS OF THE ESSENCE**

TIME IS OF THE ESSENCE as to each and every provision of this Agreement.

## **SECTION 24 RECORDATION**

Lessee shall record this Agreement in the counties in which the Burdened Property is located, at Lessee's sole expense. Lessee shall provide Surface Owner a copy of the public recording. Lessee shall have ninety (90) days from the date of delivery of the final executed Agreement to comply with the requirements of this Section.

## **SECTION 25 APPLICABLE LAW AND VENUE**

This Agreement shall be interpreted and construed in accordance with and shall be subject to the laws of the State of Utah. Any reference to a statute shall mean that statute as presently enacted or hereafter amended or superseded. Lessee consents to suit in the courts of the State of Utah in any dispute arising under the terms of this Agreement or as a result of operations carried on under this Agreement. Service of process in any such action is hereby agreed to be sufficient if sent by registered mail to Lessee at the last known address of Lessee appearing in the records of Surface Owner. Lessee agrees for itself and its successors and assigns that any suit brought by Lessee, its successors or assigns concerning this Agreement may be maintained only in the Utah State District Court of Salt Lake County. In the event of any litigation arising under this Agreement, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred in connection with the litigation, including any appeals.

#### **SECTION 26 MODIFICATION**

Any modification of this Agreement must be in writing and signed by the parties. Surface Owner or Lessee shall not be bound by any oral representations of Surface Owner or Lessee. Authorized signatures for Surface Owner may be provided only by the Director or the Director's designee.

#### **SECTION 27 SURVIVAL**

Any obligations which are not fully performed upon termination of this Easement shall not cease, but shall continue as obligations until fully performed.

### **SECTION 28 WAIVER**

No Waiver of Conditions by Surface Owner of any default of Lessee or failure of Surface Owner to timely enforce any provision of this Agreement shall constitute a waiver of or constitute a bar to subsequent enforcement of the same or other provisions of this Agreement. No provision in this Agreement shall be construed to prevent Surface Owner from exercising any legal or equitable remedy it may have.

## **SECTION 29 WATER RIGHTS**

Lessee shall not file an application to appropriate water from the surface or subsurface of Surface Owner's lands unless the application is approved by Surface Owner in writing and is filed in the name of the Surface Owner. All water structures, including impoundment, diversion and conveyance structures or works, used to impound, divert or convey water claimed solely under a Surface Owner water right shall be the property of Surface Owner.

**SURFACE OWNER** 

STATE OF UTAH

#### **SECTION 30 INVALIDITY**

If any provision of this Agreement proves to be invalid, void, or illegal, it shall in no way affect, impair, or invalidate any other provision of this Agreement.

**LESSEE** 

**BILL BARRETT CORPORATION** 

IN WITNESS WHEREOF, the Parties have executed this Agreement, effective on the date of the last signature below.

**DEPARTMENT OF NATURAL** RESOURCES, DIVISION OF WILDLIFE RESOURCES Huntington T. Walker ames F. Karpowitz ACTING DIRECTOR Sr. Vice President - Land Director of Wildlife Resources **Bill Barrett Corporation** Date: 5/1/12 Date: **Funding Approvals: Division of Wildlife Resources Fiscal Management** Linda Braithwaite **Budget Officer** Date: STATE OF UTAH ) SS. COUNTY OF SALT LAKE ) On this \_\_\_\_\_\_\_, day of \_\_\_\_\_\_\_\_, 2012 personally appeared before me <u>James F. Karpowitz</u>, who being first duly sworn said that he is the <u>Director of the Division of Wildlife</u> Resources for the State of Utah, that the foregoing instrument was executed pursuant to authority granted him by The Wildlife Resource Code of Utah (23-21-1), and he acknowledged to me that he executed the same. Notary Public for the State of Utah THU ANH VO-WOOD Notary Public State of Utah on Expires Sept. 20, 2015 Residing at

My commission expires

STATE OF COLORADO	
CITY AND	SS.
COUNTY OF DENVER	
<u>Corporation</u> who executed the execution of the document her	nown to be the <u>Sr. Vice President – Land</u> of <u>Bill Barrett</u> within and foregoing instrument, and acknowledged that the ein was his free and voluntary act and deed, for the uses and and gave an oath that he is authorized to execute the within
LEE VASKEY NOTARY PUBLIC STATE OF COLORADO MY COMMISSION EXPIRES 10/1	Daviding at 1/24/06

#### Exhibit A.1

Legal Descriptions of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #13H-26-46 and #16-26D-46 Wellsite

LC Tribal #13H-26-46 and #16-26D-46 Wellsite Perimeter

## SURFACE USE AREA DESCRIPTION

BEGINNING AT A POINT IN THE SE 1/4 SE 1/4 OF SECTION 26, T4S, R6W, U.S.B.&M., WHICH BEARS N19\*27'17"W 609.44' FROM THE SOUTHEAST CORNER OF SAID SECTION 26, THENCE S41\*10'11"W 153.57'; THENCE N48\*49'49"W 450.00'; THENCE N41\*10'11"E 355.00'; THENCE S48\*49'49"E 450.00'; THENCE S41\*10'11"W 201.43' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 3.667 ACRES MORE OR LESS.

Access Road Corridor Centerline

### ROAD RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SE 1/4 SE 1/4 OF SECTION 26, T4S, R6W, U.S.B.&M., WHICH BEARS N18"25'18"W 595.56' FROM THE SOUTHEAST CORNER OF SAID SECTION 26, THENCE N57"00'03"W 17.62' TO A POINT IN THE SE 1/4 SE 1/4 OF SAID SECTION 26 WHICH BEARS N19"27'17"W 609.44' FROM THE SOUTHEAST CORNER OF SAID SECTION 26. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 0.012 ACRES MORE OR LESS.

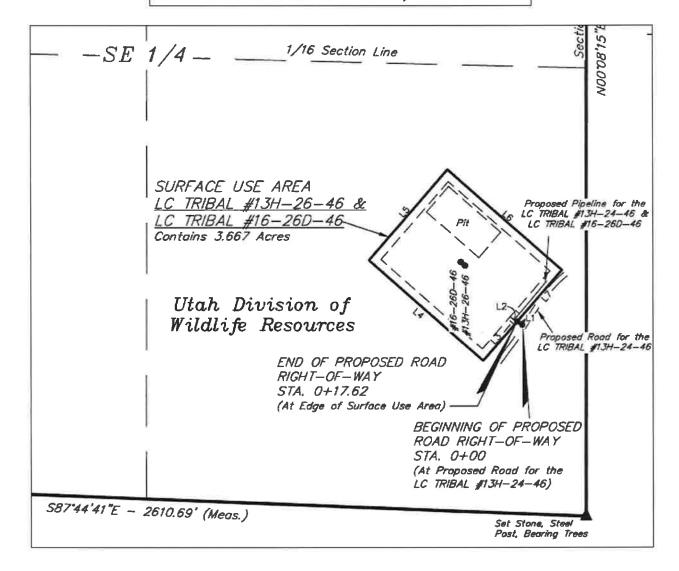
Pipeline Corridor

## PIPELINE RIGHT-OF-WAY DESCRIPTION

PIPELINE RIGHT-OF-WAY IS CONTAINED WITHIN THE SURFACE USE AREA.

Exhibit A.2
Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-26-46 and #16-26D-46 Wellsite

LOCATED IN SECTION 26, T4S, R6W, U.S.B.&M. DUCHESNE COUNTY, UTAH



#### Exhibit B.1

Legal Description of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #13H-23-46 and #16-23D-46 Wellsite

LC Tribal #13H-23-46 and #16-23D-46 Wellsite Perimeter

## SURFACE USE AREA DESCRIPTION

BEGINNING AT A POINT IN THE SE 1/4 SE 1/4 OF SECTION 23, T4S, R6W, U.S.B.&M. WHICH BEARS S18'58'10"W 1526.28' FROM THE EAST 1/4 CORNER OF SAID SECTION 23, THENCE S27'35'56"E 216.26'; THENCE S62'24'04"W 450.00'; THENCE N27'35'56"W 355.00'; THENCE N62'24'04"E 450.00'; THENCE S27'35'56"E 138.74' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 3.667 ACRES MORE OR LESS.

#### Access Road Corridor Centerline

# ROAD RIGHT—OF—WAY DESCRIPTION ON JTAH DIVISION OF WILDLIFE RESOURCES LANDS

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT ON THE SOUTH LINE OF THE SE 1/4 SE 1/4 OF SECTION 23, T4S, R6W, U.S.B.&M. WHICH BEARS SO0'22'36"W 2634.77' FROM THE EAST 1/4 CORNER OF SAID SECTION 23, THENCE N11'11'53"W 112.99'; THENCE N04'44'14"W 80.50'; THENCE N02'33'08"E 90.00'; THENCE N06'47'22"E 143.11'; THENCE N02'03'00"W 233.86'; THENCE N14'48'38"W 87.59'; THENCE N26'33'31"W 59.88'; THENCE N46'40'01"W 97.98'; THENCE N57'04'35"W 88.00'; THENCE N63"51'52"W 86.26'; THENCE N57'04'35"W 88.00'; THENCE N63"51'52"W 86.26'; THENCE N31'05'34"W 17.82'; THENCE N52'00'00"W 89.32'; THENCE N32'09'48"W 205.72'; THENCE S58'53'19"W 2.27' TO A POINT IN THE SE 1/4 SE 1/4 OF SAID SECTION 23 WHICH BEARS S18'58'10"W 1526.28' FROM THE EAST 1/4 CORNER OF SAID SECTION 23. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 0.961 ACRES MORE OR LESS.

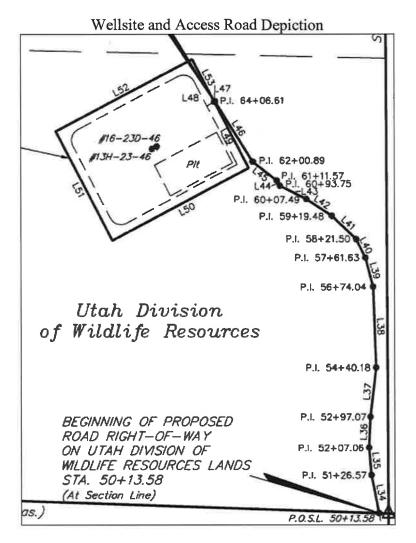
## Pipeline Corridor Centerline

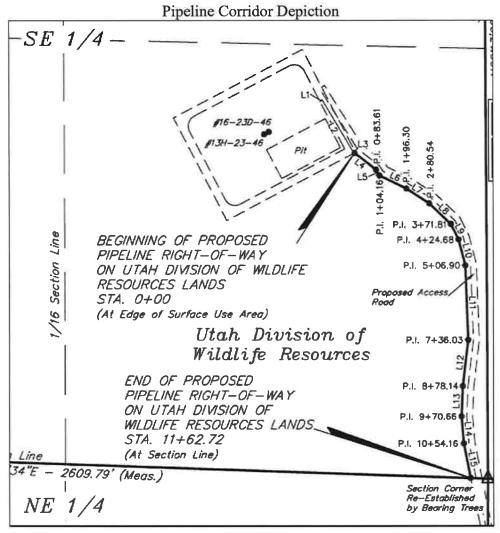
# PIPELINE RIGHT-OF-WAY DESCRIPTION ON JTAH DIVISION OF WILDLIFE RESOURCES LANDS

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SE 1/4 SE 1/4 OF SECTION 23, T4S, R6W, U.S.B.&M. WHICH BEARS S13'42'26"W 1684.73' FROM THE EAST 1/4 CORNER OF SAID SECTION 23, THENCE S52'00'00"E 83.61'; THENCE S31'05'34"E 20.56'; THENCE S63'51'52"E 92.13'; THENCE S57'04'35"E 84.24'; THENCE S46'40'01"E 91.27'; THENCE S26'33'31"E 52.87'; THENCE S14'48'38"E 82.22'; THENCE S02'03'00"E 229.13'; THENCE S06'47'22"W 142.11'; THENCE S02'33'08"W 92.52'; THENCE S04'44'14"E 83.50'; THENCE S11'11'53"E 108.56' TO A POINT ON THE SOUTH LINE OF THE SE 1/4 SE 1/4 OF SAID SECTION 23 WHICH BEARS N88'02'34"W 53.01' FROM THE SOUTHEAST CORNER OF SAID SECTION 23. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 0.801 ACRES MORE OR LESS.

**Exhibit B.2**Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-23-46 and #16-23D-46 Wellsite





#### Exhibit C.1

Legal Descriptions of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #16H-27-46 Wellsite

LC Tribal #16H-27-46 Wellsite Perimeter

#### SURFACE USE AREA DESCRIPTION

BEGINNING AT A POINT IN THE SW 1/4 SW 1/4 OF SECTION 27, T4S, R6W, U.S.B.&M. WHICH BEARS N10°08'21"E 1080.59' FROM THE SOUTHWEST CORNER OF SAID SECTION 27, THENCE N45°25'31"W 168.21'; THENCE N44°34'29"E 450.00'; THENCE S45°25'31"E 295.00'; THENCE S44°34'29"W 450.00'; THENCE N45°25'31"W 126.79' TO THE POINT OF BEGINNING. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 3.048 ACRES MORE OR LESS.

#### Access Road Corridor Centerline

#### ROAD RIGHT-OF-WAY DESCRIPTION

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SW 1/4 SW 1/4 OF SECTION 27, T4S, R6W, U.S.B.&M. WHICH BEARS NO8'55'24"E 1067.40' FROM THE SOUTHWEST CORNER OF SAID SECTION 27, THENCE N69"27'46"E 26.33' TO A POINT IN THE SW 1/4 SW 1/4 OF SAID SECTION 27 WHICH BEARS N10'08'21"E 1080.59' FROM THE SOUTHWEST CORNER OF SAID SECTION 27. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 0.018 ACRES MORE OR LESS.

#### Pipeline Corridor Centerline

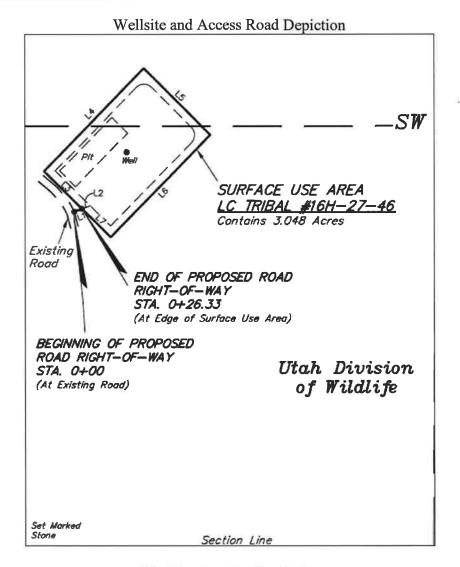
#### PIPELINE RIGHT-OF-WAY DESCRIPTION

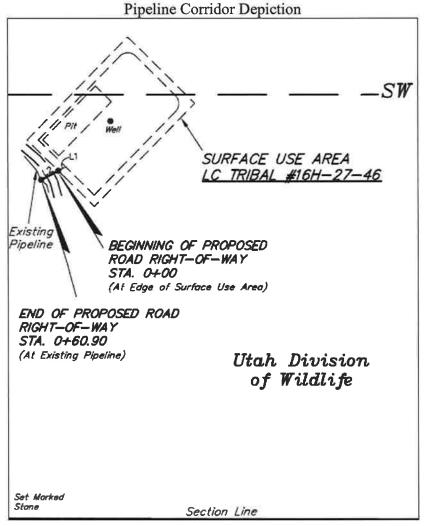
A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SW 1/4 SW 1/4 OF SECTION 27, T4S, R6W, U.S.B.&M. WHICH BEARS NO8'47'40"E 1098.58' FROM THE SOUTHWEST CORNER OF SAID SECTION 27, THENCE S62"17'45"W 60.90' TO A POINT IN THE SW 1/4 SW 1/4 OF SAID SECTION 27 WHICH BEARS NO6"09'21"E 1063.48' FROM THE SOUTHWEST CORNER OF SAID SECTION 27. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 0.042 ACRES MORE OR LESS.

Exhibit C.2

Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #16H-27-46 Wellsite





#### Exhibit D.1

Legal Descriptions of Wellsite Perimeter and Access Road and Pipeline Corridor Centerlines for LC Tribal #13H-34-46 and #16-34D-46 Wellsite

LC Tribal #13H-34-46 and #16-34D-46 Wellsite Perimeter

#### SURFACE USE AREA DESCRIPTION

BEGINNING AT A POINT IN THE SE 1/4 SE 1/4
OF SECTION 34, T4S, R6W, U.S.B.&M. WHICH
BEARS N72\*10'04"W 486.46' FROM THE
SOUTHEAST CORNER OF SAID SECTION 34,
THENCE S00\*02'35"W 131.88'; THENCE
N89\*57'25"W 450.00'; THENCE N00\*02'35"E
320.00'; THENCE S89\*57'25"E 450.00'; THENCE
S00\*02'35"W 188.12' TO THE POINT OF BEGINNING,
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.
CONTAINS 3.306 ACRES MORE OR LESS.

Access Road Corridor Centerline

### ROAD RIGHT-OF-WAY DESCRIPTION ON STATE OF UTAH DIVISION OF WILDLIFE LIFE RESOURCES LANDS

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN LOT 1 OF SECTION 3, T5S. R6W, U.S.B.&M., WHICH BEARS S68'07'07"E 368.65' FROM THE SOUTHWEST CORNER OF SECTION 35, T4S, R6W, U.S.B.&M., THENCE N50"54'38"W 87.52; THENCE N72"21'00"W 158.09'; THENCE N59"26'18"W 67.20' TO A POINT ON THE NORTH LINE OF LOT 1 OF SAID SECTION 3, WHICH BEARS S89"54'28"E 65.65' FROM THE SOUTHWEST CORNER OF SAID SECTION 35. ALSO BEGINNING AT A POINT ON THE EAST LINE OF THE SE 1/4 SE 1/4 OF SECTION 35, T4S, R6W, U.S.B.&M., WHICH BEARS NO0"11'12"E 38.59' FROM THE SOUTHEAST CORNER OF SAID SECTION 34, THENCE N59"26'18"W 10.26'; THENCE N89"52'39"W 242.67'; THENCE N79"58'53"W 76.45'; THENCE N64"42'07"W 32.93'; THENCE N54"04'36"W 131.71' TO A POINT IN THE SE 1/4 SE 1/4 OF SAID SECTION 34, WHICH BEARS N72"10'04"W 486.46' FROM THE SOUTHEAST CORNER OF SAID SECTION 34. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 0.556 ACRES MORE OR LESS.

#### Pipeline Corridor Centerline

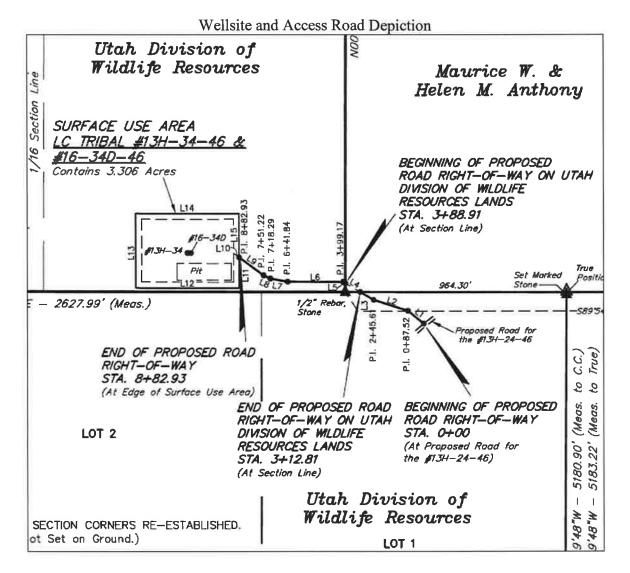
### PIPELINE RIGHT-OF-WAY DESCRIPTION ON STATE OF UTAH DIVISION OF WILDLIFE LIFE RESOURCES LANDS

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

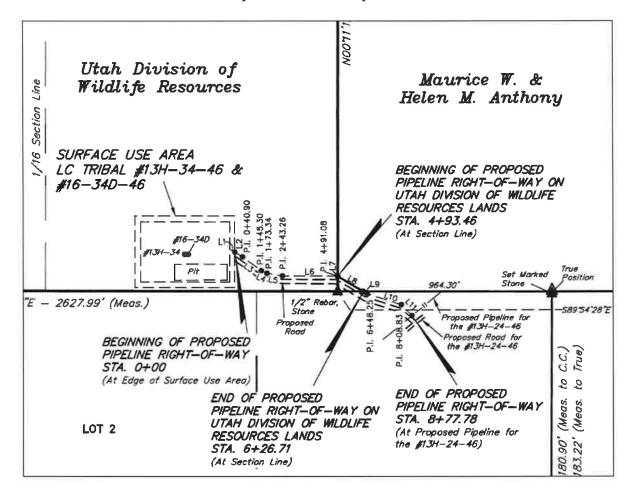
BEGINNING AT A POINT IN THE SE 1/4 SE 1/4 OF SECTION 34, T4S, R6W, U.S.B.&M., WHICH BEARS N69'09'13"W 495.51' FROM THE SOUTHEAST CORNER OF SAID SECTION 34; THENCE \$58'25'08"E 40.90'; THENCE \$53'54'18"E 104.39'; THENCE \$64'42'07"E 28.04'; THENCE \$80'01'56"E 69.93'; THENCE \$89'52'24"E 247.82'; THENCE \$59'26'18"E 2.38' TO A POINT ON THE EAST LINE OF THE SE 1/4 SE 1/4 OF SAID SECTION 34, WHICH BEARS N00'11'12"E 67.57' FROM THE SOUTHEAST CORNER OF SAID SECTION 34. ALSO BEGINNING AT A POINT ON THE NORTH LINE OF LOT 1 OF SECTION 3, T5S, R6W, U.S.B.&M. WHICH BEARS \$89'54'28"E 114.96' FROM THE SOUTHWEST CORNER OF SECTION 35, T4S, R6W, U.S.B.&M, THENCE \$59'26'18"E 21.54'; THENCE \$72'17'10"E 160.58'; THENCE \$44'28'56"E 68.94' TO A POINT IN LOT 1 OF SAID SECTION 3, WHICH BEARS \$71'56'12"E 352.13' FROM THE SOUTHWEST CORNER OF SAID SECTION 35. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 0.513 ACRES MORE OR LESS.

Exhibit D.2

Depictions of Wellsite, Access Road, and Pipeline Corridor for LC Tribal #13H-34-46 and #16-34D-46 Wellsite



Pipeline Corridor Depiction



#### Exhibit E.1

Legal Descriptions of Access Road and Pipeline Corridor Centerlines for LC Tribal #15-24D-46 Wellsite

#### Access Road Corridor Centerline Description

### ROAD RIGHT-OF-WAY DESCRIPTION ON STATE OF UTAH (DWL) LANDS

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SW 1/4 NE 1/4 OF SECTION 3, T5S, R6W, U.S.B.&M., WHICH BEARS N24'42'15"W 3882.37' FROM THE SOUTHEAST CORNER OF SAID SECTION 3, THENCE N44'27'14"E 288.23'; THENCE N39°56'42"E 152.23'; THENCE N36°41'53"E 297.45'; THENCE N29°51'02"E 89.67'; THENCE N22'06'21"E 488.92'; THENCE N26'47'18"E 132.85'; THENCE N30'42'50"E 77.24'; THENCE N36'50'53"E 75.44'; THENCE N45"13'40"E 210.00'; THENCE N51"06'15"E 96.72'; THENCE N58"23'13"E 161.72'; THENCE N62°04'58"E 56.02' TO A POINT ON THE NORTH LINE OF THE NE 1/4 NE 1/4 OF SAID SECTION 3, WHICH BEARS NO3'58'39"W 5196.27' FROM THE SOUTHEAST CORNER OF SAID SECTION 3. ALSO BEGINNING AT A POINT ON THE NORTH LINE OF THE NE 1/4 NE 1/4 OF SECTION 35, T4S, R6W, U.S.B.&M., WHICH BEARS N87'44'41"W 841.72 FROM THE NORTHEAST CORNER OF SAID SECTION 35, THENCE N51"09'26"E 85.48'; THENCE N46"13'32"E 113.04'; THENCE N50"52"51"E 94.42'; THENCE N65'47'16"E 57.34'; THENCE N69'41'11"E 117.35'; THENCE N60'48'00"E 61.81'; THENCE N47'37'44"E 175.83'; THENCE N40'43'24"E 68.05'; THENCE N34'16'22"E 203.23'; THENCE N44'22'52"E 84.64'; THENCE N56'32'53"E 68.53' TO A POINT ON THE EAST LINE OF THE SE 1/4 SE 1/4 OF SECTION 26, T4S, R6W, U.S.B.&M., WHICH BEARS NOO'08'15"E 755.20' FROM THE SOUTHEAST CORNER OF SAID SECTION 26. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 2.243 ACRES MORE OR LESS.

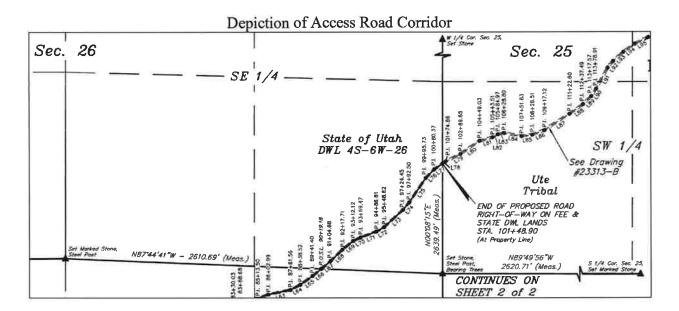
#### Pipeline Corridor Centerline Description

### PIPELINE RIGHT-OF-WAY DESCRIPTION ON STATE OF UTAH (DWL) LANDS

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT ON THE WEST LINE OF THE SW 1/4 SW 1/4 OF SECTION 25, T4S, R6W, U.S.B.&M., WHICH BEARS NOO'08'15"E 786.58' FROM THE SOUTHWEST CORNER OF SAID SECTION 25, THENCE S55'48'42"W 88.56'; THENCE S44'22'52"W 89.51'; THENCE S34'16'22"W 204.03'; THENCE S40'43'24"W 65.14'; THENCE S47'37'44"W 171.43'; THENCE S60'48'00"W 56.98'; THENCE S69'41'11"W 116.26'; THENCE S65'47'16"W 61.46'; THENCE S50°52'51"W 98.71'; THENCE S46°13'32"W 112.98'; THENCE S51°09'26"W 113.07' TO A POINT ON THE SOUTH LINE OF THE SE 1/4 SE 1/4 OF SECTION 26, T4S, R6W, U.S.B.&M., WHICH BEARS N87'44'41"W 879.75' FROM THE SOUTHEAST CORNER OF SAID SECTION 26. ALSO BEGINNING AT A POINT ON THE SOUTH LINE OF THE SW 1/4 SW 1/4 OF SECTION 35, T4S, R6W, U.S.B.&M., WHICH BEARS S89°54'28"E 520.76' FROM THE SOUTHWEST CORNER OF SAID SECTION 35, THENCE S59°51'55"W 215.32'; THENCE S42"41'43"E 54.34'; THENCE S47"50'48"W 177.51'; THENCE S43"10'07"W 128.76'; THENCE S31"08'21"W 129.59'; THENCE S24"54'22"W 219.31'; THENCE S21'31'54"W 376.91'; THENCE S32'41'26"W 179.83'; THENCE S36'08'06"W 181.01'; THENCE S39'57'59"W 182.59'; THENCE \$43°45'55"W 199.66' TO A POINT IN THE SW 1/4 NE 1/4 OF SECTION 3, T5S, R6W, U.S.B.&M., WHICH BEARS N23°16'04"W 3897.67' FROM THE SOUTHEAST CORNER OF SAID SECTION 3. THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. CONTAINS 2.220 ACRES MORE OR LESS. OBSERVATION.

**Exhibit E.2**Depictions of Access Road and Pipeline Corridor for LC Tribal #15-24D-46 Wellsite



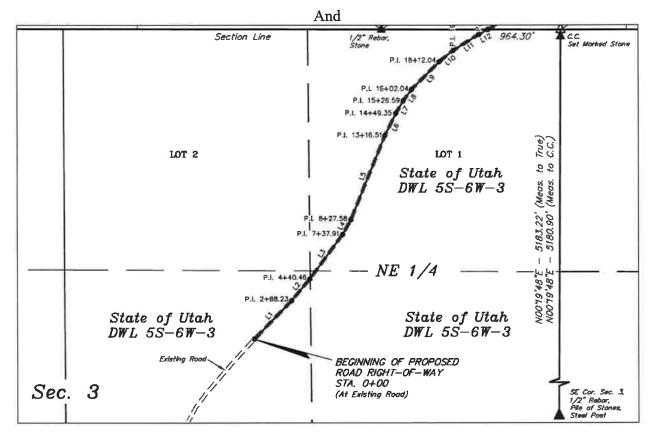
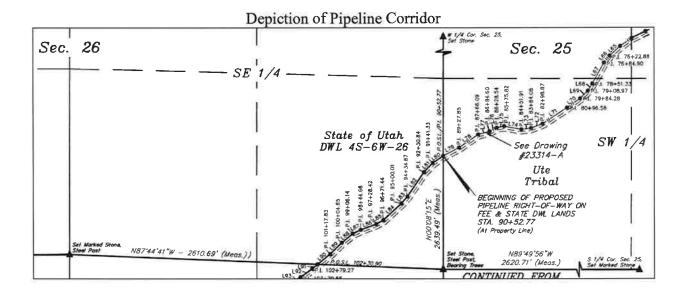
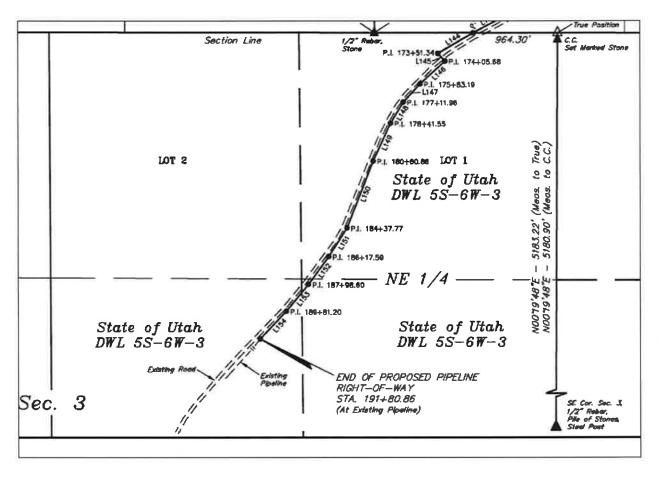


Exhibit E.2, cont'd
Depictions of Access Road and Pipeline Corridor for LC Tribal #15-24D-46 Wellsite



#### And



#### Exhibit F.1

Legal Descriptions of Access Road and Pipeline Corridor Centerlines for LC Tribal #4H-22-46 Wellsite

Access Road Corridor Centerline Description

### ROAD RIGHT—OF—WAY DESCRIPTION ON STATE OF UTAH (DWR)

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE NW 1/4 SW 1/4 OF SECTION 14, T4S, R6W, U.S.B.&M. WHICH BEARS NO7'21'59"E 1492.91' FROM THE SOUTHWEST CORNER OF SAID SECTION 14, THENCE SO1'03'14"E 482.36'; THENCE S01'44'55"W 162.90'; THENCE S12'24'30"W 326.42'; THENCE S08'25'08"W 258.09'; THENCE S02'09'11"E 163.24'; THENCE S09'57'11"E 101.01'; TO A POINT ON THE SOUTH LINE OF THE SW 1/4 SW 1/4 OF SAID SECTION 14 WHICH BEARS S89'21'37"E 110.99' FROM THE SOUTHWEST CORNER OF SAID SECTION 14, THENCE S09'57'11"E 79.94'; THENCE S07'54'28"W 192.99'; THENCE S28'09'11"W 157.82'; THENCE S39'36'26"W 37.24' TO A POINT ON THE WEST LINE OF THE NW 1/4 OF THE NW 1/4 OF SECTION 23, T4S, R6W, U.S.B.&M. WHICH BEARS S00'00'18"E 438.97' FROM THE NORTHWEST CORNER OF SECTION 23. T4S, R6W, U.S.B.&M. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION.—CONTAINS 1.351 ACRES MORE OR LESS.

Pipeline Corridor Centerline Description

# PIPELINE RIGHT—OF—WAY DESCRIPTION ON STATE OF UTAH (DWR)

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT ON THE WEST LINE OF THE NW 1/4 NW 1/4 OF SECTION 23, T4S, R6W, U.S.B.&M. WHICH BEARS S00'00'18"E 399.76' FROM THE NORTHWEST CORNER OF SAID SECTION 23, THENCE N28'33'30"E 155.07'; THENCE N07°55'38"E 183.94'; THENCE N09°53'44"W 81.45' TO A POINT ON THE NORTH LINE OF THE NW 1/4 NW 1/4 OF SAID SECTION 23 WHICH BEARS S89°21'37"E 85.51' FROM THE NORTHWEST CORNER OF SAID SECTION 23, THENCE N09'53'44"W 98.44'; THENCE N02'09'09"W 167.08'; THENCE NO8'25'01"E 261.60'; THENCE N12'26'10"E 323.87'; THENCE N00"18'15"E 510.49'; THENCE N03°09'11"W 165.79'; THENCE N55°34'17"W 17.98'; THENCE N16°34'36"W 97.49'; THENCE N06"13'32"W 67.50'; THENCE N19"35'44"W 91.12'; THENCE N49'35'01"W 63.52'; THENCE S85'27'47"W 10.37' TO A POINT ON THE WEST LINE OF THE NW 1/4 SW 1/4 OF SECTION 14, T4S, R6W, U.S.B.&M. WHICH BEARS NO0'46'58"E 1810.96' FROM THE SOUTHWEST CORNER OF SAID SECTION 14. THE SIDE LINES OF SAID DESCRIBED THE SIDE LINES OF SAID DESCRIBED RIGHT-OF-WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 1.581 ACRES MORE OR LESS.

Exhibit F.2
Depictions of Access Road and Pipeline Corridors LC Tribal #4H-22-46 Wellsite

#### Depiction of Access Road Corridor

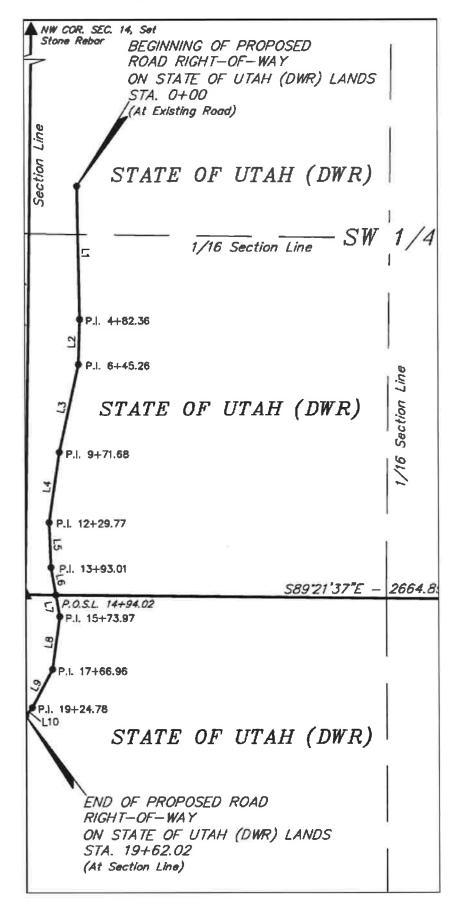
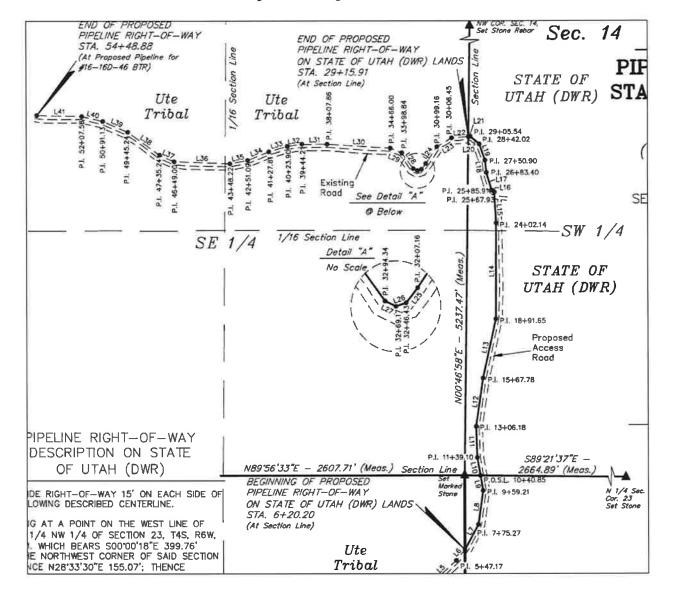


Exhibit F.2, cont'd

Depictions of Access Road and Pipeline Corridors LC Tribal #4H-22-46 Wellsite

#### Depiction of Pipeline Corridor



#### **Exhibit G.1**

Legal Descriptions of Access Road, Pipeline, and Powerline Corridor Centerlines for #16-25D-37 BTR Wellsite

#### Access Road Corridor Centerline Description

# ROAD RIGHT-OF-WAY DESCRIPTION ON STATE OF UTAH (DWR) LANDS

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT IN THE SE 1/4 SW 1/4 OF SECTION 30, T3S, R6W, U.S.B.&M. WHICH BEARS N88'57'52"W 977.59' FROM THE SOUTH 1/4 CORNER OF SAID SECTION 30, THENCE S89'29'16"W 1553.50' TO A POINT ON THE WEST LINE OF THE SW 1/4 SW 1/4 OF SAID SECTION 30 WHICH BEARS N00'09'03"W 26.57' FROM THE SOUTHWEST CORNER OF SAID SECTION 30. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 1.070 ACRES MORE OR LESS.

#### Pipeline Corridor Centerline Description

# PIPELINE RIGHT-OF-WAY DESCRIPTION ON STATE OF UTAH (DWR) LANDS

A 30' WIDE RIGHT-OF-WAY 15' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT ON THE WEST LINE OF THE SW 1/4 SW 1/4 OF SECTION 30, T3S, R6W, U.S.B.&M. WHICH BEARS NO0"09'03"W 51.35' FROM THE SOUTHWEST CORNER OF SAID SECTION 30, THENCE N89"28'43"E 1378.07'; THENCE N64"15'38"E 141.90' TO A POINT IN THE SE 1/4 SW 1/4 OF SAID SECTION 30 WHICH BEARS N84"16'38"W 1030.23' FROM THE SOUTH 1/4 CORNER OF SAID SECTION 30. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 1.047 ACRES MORE OR LESS.

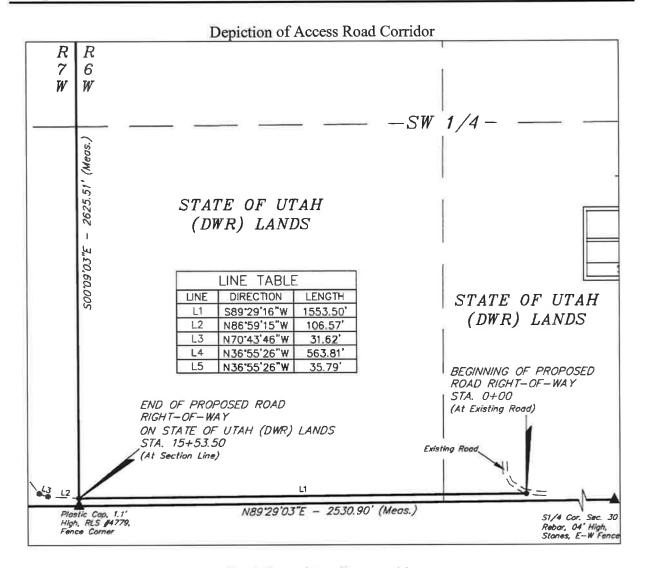
#### Powerline Corridor Centerline Description

### POWER LINE RIGHT-OF-WAY DESCRIPTION ON STATE OF UTAH (DWR) LANDS

A 150' WIDE RIGHT-OF-WAY 75' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE.

BEGINNING AT A POINT ON THE WEST LINE OF THE SW 1/4 SW 1/4 OF SECTION 30, T3S, R6W, U.S.B.&M. WHICH BEARS NO0°09'03"W 26.57' FROM THE SOUTHWEST CORNER OF SAID SECTION 30, THENCE N89°29'12"E 1438.14' TO A POINT IN THE SE 1/4 SW 1/4 OF SAID SECTION 30 WHICH BEARS N89°07'36"W 1092.90' FROM THE SOUTH 1/4 CORNER OF SAID SECTION 30. THE SIDE LINES OF SAID DESCRIBED RIGHT—OF—WAY BEING SHORTENED OR ELONGATED TO MEET THE GRANTOR'S PROPERTY LINES. BASIS OF BEARINGS IS A G.P.S. OBSERVATION. CONTAINS 4.952 ACRES MORE OR LESS.

Exhibit G.2
Depictions of Access Road, Pipeline, and Powerline Corridors for #16-25D-37 BTR Wellsite



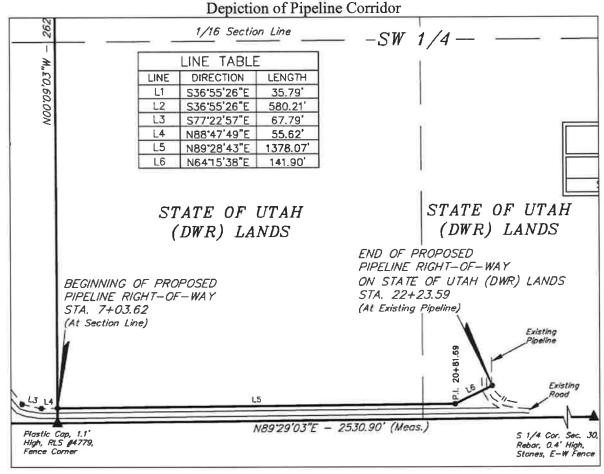
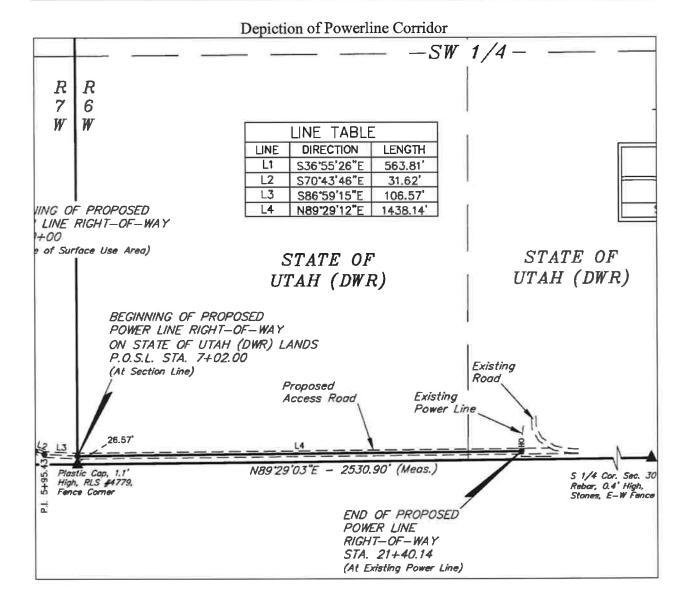


Exhibit G.2, cont'd

Depictions of Access Road, Pipeline, and Powerline Corridors for #16-25D-37 BTR Wellsite



#### Exhibit H

Surface Use and Reclamation Plan for Lessee's Phase 9 Development Program, Lake Canyon and Tabby Mountain Areas, Duchesne County, Utah

[Attached]

### **Exhibit I**Reclamation Performance Bond Number LPM9062886

Bond Number LPM9062886

Easement Permit Bond								
KNOW ALL MEN BY THESE PRESENTS, That We Bill Barrett Corporation								
of Denver, CO								
hereinafter referred to as the Principal, and Fidelity and Deposit Company of Maryland								
a corporation organized and existing under the laws of the State of Maryland								
and authorized to do business in the State of Utah as Surety, are held and firmly								
bound unto State of Utah, Department of Natural Resources, Division of Wildlife Resources, 1594 W. North Temple, Ste 2110, SLC, UT								
herein after referred to as Obligee, in the sum of One Hundred Fifty Six Thousand Nine Hundred Ninety  Nine and no/100 Dollars (\$156,999.00) lawful money of the United States of America to the payment of which sum, well and truly to be made, we bind ourselves, our executors, administrators, successors and assigns, firmly by these presents.								
WHEREAS, the Principal has applied for a license or permit for the following well sites:  LC Tribal 13H-26-46 & 16-26D-46 (well site, includes pipeline and access corridors)  LC Tribal #13H-23-46 & 16-23D-46 (well site, access, loop road and pipeline corridors)  LC Tribal 16H-27-46 (well site, access and pipeline corridors)  LC Tribal #13H-34-46 & 16-34D-46 (well site, access and pipeline corridors)  LC Tribal 15-24D-46 (access and pipeline corridors)  LC Tribal 4H-22-46 (access and pipeline corridors)  LC Tribal 13H-25-45 (pipeline corridor)  16-25D-37 BTR (access, pipeline & powerline corridors)  for the term beginning the February 16, 2012 and ending the February 16, 2013 to cover the term of said License or Permit.								
NOW, THEREFORE, if said Principal shall faithfully perform all the duties of this lease according to the requirements of the ordinance of said Obligee and protect said Obligee from any damage as hereinbefore stated, then								
this obligation shall be null and void; otherwise to remain in full force and effect.								
THIS BOND WILL continue in force until February 16, 2013 and will continue with a Continuation Certificate signed by Principal and Surety.								
SIGNED, SEALED and DATED this 16th day of February 2012								
Bill Barrett Corporation								
Principal								
(x) By: Mutat I will								
Huntington T. Walker, Sr. Vice President - Land								
Fidelity and Deposit Company of Maryland Surety								
Br. Jan M. Jonest								
Jana M. Forrest , Attorney-in-Fact								

#### **Power of Attorney** FIDELITY AND DEPOSIT COMPANY OF MARYLAND **COLONIAL AMERICAN CASUALTY AND SURETY COMPANY**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, corporations of the State of Maryland, by DAVID S. HEWETT, Vice President, and GREGORY E. MURRAY, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Companies, which are set forth on the contract size hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate consultation appoint scale 1, 1995T, Bret S. BURTON, Jana M. FORREST, Tim H. HEFFEL, Desiree E. WEST MORELAND, Kattalega A. SNYDER and Emily R. TERHUNE, all of Wichita, Kansas, E. Company and all bonds and undertakings, and the execution of such bonds or undertakings in pursuance of these undertakes, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they find their duty executed and acknowledged by the regularly elected officers of the Company at its office in Santingore, Md., in their own proper persons. This power of attorney revokes that issued on behalf of Scott T. POST, Bret S. BURTON, Jana M. FORREST, Tim H. HEFFEL, Erica M. PLUMMER, Desiree E. WESTMORELAND, Kathleen A. SNYDER, dated June 19, 2008. WESTMORELAND, Kathleen A. SNYDER, dated June 19, 2008.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seals of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, this 9th day of March, A.D. 2009.

ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND COLONIAL AMERICAN CASUALTY AND SURETY COMPANY





Cycyf. Minny

Gregory E. Murray Assistant Secretary

State of Maryland City of Baltimore }ss:

On this 9th day of March, A.D. 2009, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came DAVID S. HEWETT, Vice President, and GREGORY E. MURRAY, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, and the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself deposeth and saith, that they are the said officers of the Companies aforesaid, and that the seals affixed to the preceding instrument is the Corporate Seals of said Companies, and that the said Corporate Seals and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Constance a Dunn

Constance A. Dunn

Notary Public

My Commission Expires: July 14, 2011

POA-F 078-6692A

#### SURFACE USE PLAN

# BILL BARRETT CORPORATION <u>LC Tribal 13H-26-46 & 16-26D-46 Pad</u> Duchesne County, Utah

### LC Tribal 13H-26-46 SE SE, 724' FSL & 360' FEL, Sec. 26, T4S-R6W (surface hole) LC Tribal 16-26D-46 SE SE, 734' FSL & 372' FEL, Sec. 26, T4S-R6W (surface hole)

SW SW, 800' FSL & 800' FWL, Sec. 26, T4S-R6W (bottom hole)

SE SE, 810' FSL & 810' FEL, Sec. 26, T4S-R6W (bottom hole)

The onsite inspection for this pad occurred on April 17, 2012. This is a new pad with a total of two proposed wells. Plat changes and site specific stipulations requested at the onsite are reflected within this APD and summarized below.

- a) No plat changes requested;
- b) Wintering big game restriction in place from December 1 to April 15;

The excavation contractor would be provided with an approved copy of the surface use plan of operations before initiating construction.

#### 1. Existing Roads:

- a. The proposed well site is located approximately 17.7 miles southwest of Duchesne, Utah. Maps and directions reflecting the route to the proposed well site are included (see Topographic maps A and B).
- b. The existing State Highway 191 would be utilized from Duchesne for 3.5 miles to the existing BBC maintained Skitzy Road that would be utilized for 6.6 miles and provides access to the existing 7-3-56 DLB access road that would be utilized for 5.8 miles and provides access to the planned new access road.
- c. Project roads would require routine year-round maintenance to provide year-round access. Maintenance would include inspections, reduction of ruts and holes, maintenance to keep water off the road, replacement of surfacing materials, and clearing of sediment blocking ditches and culverts. Should snow removal become necessary, roads would be cleared with a motor grader and snow would be stored along the down gradient side to prohibit runoff onto the road. Aggregate would be used as necessary to maintain a solid running surface and minimize dust generation.
- d. Vehicle operators would obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions. Travel would be limited to the existing access roads and proposed access road.
- e. The use of roads under State and Duchesne County Road Department maintenance are necessary to access the project area with no improvements

proposed. No public road encroachments or pipeline crossings are associated with this well.

f. All existing roads would be maintained and kept in good repair during all phases of operation.

#### 2. Planned Access Road:

- a. Approximately 43 feet of new access road trending northwest is planned from the approved LC Tribal 15-24D-46 access road (ROW H62-2012-129) and continues an additional 9,686 feet to the existing 7-3-56 DLB access road (see Topographic Map B). The proposed access road crosses entirely Utah Division of Wildlife Resources surface.
- b. The planned access road would be constructed to a 30-foot ROW width with an 18-foot travel surface. See section 12.d. below for disturbance estimates.
- c. New road construction and improvements of existing roads would typically require the use of motor graders, crawler tractors, 10-yard end dump trucks, and water trucks. The standard methodology for building new roads involves the use of a crawler tractor or track hoe to windrow the vegetation to one side of the road corridor, remove topsoil to the opposing side of the corridor, and rough-in the roadway. This is followed by a grader or bulldozer to establish barrow ditches and crown the road surface. Where culverts are required, a track hoe or backhoe would trench the road and install the culverts. Some hand labor would be required when installing and armoring culverts. Road base or gravel in some instances would be necessary and would be hauled in and a grader used to smooth the running surface.
- d. The proposed road would be constructed to facilitate drainage, control erosion and minimize visual impacts by following natural contours where practical. No unnecessary side-casting of material would occur on steep slopes.
- e. A maximum grade of 10% would be maintained throughout the project with minimum cuts and fills, as necessary, to access the well.
- f. Excess rock from construction of the pad may be used for surfacing of the access road if necessary. Any additional aggregate necessary would be obtained from private or State of Utah lands in conformance with applicable regulations. Aggregate would be of sufficient size, type, and amount to allow all weather access and alleviate dust.
- g. Where topsoil removal is necessary, it would be windrowed (i.e. stockpiled/accumulated along the edge of the ROW and in a low row/pile parallel with the ROW) and re-spread over the disturbed area after construction and backfilling are completed. Vegetation removed from the disturbed area would also be re-spread to provide protection, nutrient recycling, and a seed source for reclamation.

- h. Turnouts are not proposed.
- i. No culverts and no low-water crossings are anticipated. Adequate drainage structures, where necessary, would be incorporated into the remainder of the road to prevent soil erosion and accommodate all-weather traffic.
- j. No cattle guards are anticipated at this time.
- k. Surface disturbance and vehicular travel would be limited to the approved location access road. Adequate signs would be posted, as necessary, to warn the public of project related traffic.
- All access roads and surface disturbing activities would conform to the
  appropriate standard, **no higher than necessary**, to accommodate their intended
  function adequately as outlined in the Bureau of Land Management and Forest
  Service publication: <u>Surface Operating Standards for Oil and Gas Exploration</u>
  and Development, Fourth Edition Revised 2007.
- m. The operator would be responsible for all maintenance needs of the new access road.

#### 3. <u>Location of Existing Wells (see One-Mile Radius Map):</u>

a. Following is a list of wells with surface hole locations within a one-mile radius of the proposed pad:

i.	water wells	none
ii.	injection wells	none
iii.	disposal wells	none
iv.	drilling wells	none
v.	temp shut-in wells	none
vi.	producing wells	none
vii.	abandoned wells	three

#### 4. <u>Location of Production Facilities</u>

- a. Surface facilities would consist of a wellhead, separator, gas meter, combustor, (1) 500 gal methanol tank, (1) 500 glycol tank, (3) 500 bbl oil tanks, (1) 500 bbl water tank, (1) 500 bbl test tank, (1) 1000 gal propane tank, a pumping unit or Roto-flex unit or ESP or gas lift unit, electrical or with a natural gas or diesel fired motor, solar panels, solar chemical and methanol pumps and one trace pump. See attached proposed facility diagram.
- b. Most wells would be fitted with a pump jack or Roto-flex unit or ESP or gas lift to assist liquid production. The prime mover for pump jacks or Roto-flex units would be small (100 horsepower or less), electric motor or natural gas or diesel fired internal combustion engines. If a gas lift is installed, it would be set on a

10 ft x 25 ft pad and the prime mover would be a natural gas-fired internal combustion engine rated at 200 horsepower or less or an electric compressor of similar horsepower powered by electricity.

- c. The tank battery would be surrounded by a secondary containment berm of sufficient capacity to contain 1.1 times the entire capacity of the largest single tank and sufficient freeboard to contain precipitation. All loading lines and valves would be placed inside the berm surrounding the tank battery or would utilize catchment basins to contain spills. All liquid hydrocarbon production and measurement shall conform to the provisions of 43 CFR 3162.7-2 and Onshore Oil and Gas Order No. 4 for the measurement of oil.
- d. Gas meter run(s) would be constructed and located on lease within 500 feet of the wellheads. Meter runs would be housed and/or fenced. As practicably feasible, meters would be equipped with remote telemetry monitoring systems. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- e. A combustor may be installed at this location for control of associated condensate tank emissions. A combustor ranges from 24 inches to 48 inches wide and is approximately 27 ft tall. Combustor placement would be on existing disturbance.
- f. Approximately 13 feet of pipeline corridor (see Topographic Map C) containing up to three lines (one gas pipeline up to 8 inch in diameter, one water line up to 4 inch in diameter and one residue line up to 4 inch in diameter) is proposed trending southeast to the approved LC Tribal 15-24D-46 pipeline corridor (ROW H62-2012-130) and continues an additional 9,686 feet to the existing 7-3-56 DLB pipeline corridor. Pipelines would be constructed of steel, polyethylene or fiberglass and would connect to the proposed pipeline servicing nearby BBC wells. The pipeline crosses entirely Utah Division of Wildlife Resources surface.
- g. The new segment of gas pipeline would be surface laid within a 30 foot wide pipeline corridor adjacent to the proposed access road. See 12.d below for disturbance estimates.
- h. Construction of the ROW would temporarily utilize the 30 foot disturbed width for the road for a total disturbed width of 60 foot for the road and pipeline corridors. The use of the proposed well site and access roads would facilitate the staging of the pipeline construction.
- i. Pipeline construction methods and practices would be planned and conducted by BBC with the objective of enhancing reclamation and fostering the reestablishment of the native plant community.

Bill Barrett Corporation Surface Use Plan LC Tribal 13H-26-46 & 16-26D-46 Pad Duchesne County, UT

- j. All permanent above-ground structures would be painted a flat, non-reflective color, such as Beetle Green, to match the standard environmental colors. All facilities would be painted the designated color at the time of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- k. Site security guidelines identified in 43 CFR 3162.7-5 and Onshore Oil and Gas Order No. 3 would be adhered to. Any modifications to proposed facilities would be reflected in the site security diagram submitted.
- 1. The site would require periodic maintenance to ensure that drainages are kept open and free of debris, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.

#### 5. <u>Location and Type of Water Supply:</u>

a. Water for the drilling and completion would be trucked from any of the following locations:

Water Right No. and Application or Change No.	Applicant	Allocation	Date	Point of Diversion	Source
43-180	Duchesne City Water Service District	5 cfs	8/13/2004	Knight Diversion Dam	Duchesne River
43-1202, Change a13837	Myton City	5.49 cfr and 3967 acre feet	3/21/1986	Knight Diversion Dam	Duchesne River
43-10444, Appln A57477	Duchesne County Upper Country Water	2 cfs	1994	Ditch at Source	Cow Canyon Spring
43-10446, Appln F57432	Duchesne County Upper Country Water	1.58 cfs	1994	Ditch at Source	Cow Canyon Spring
43-1273, Appln A17462	J.J.N.P. Company	7 cfs	1946	Strawberry River	Strawberry River
43-1273, Appln t36590	J.J.N.P. Company	4 cfs	6/03/2010	Strawberry River	Strawberry River
43-2505, Appln t37379	McKinnon Ranch Properties, LC	1.3 cfs	4/28/2011	Pumped from Sec, 17, T4SR6W	Water Canyon Lake
43-12415, Change A17215a	Peatross Ranch, LLC	1.89 cfs	09/2011	Dugout Pond	Strawberry River

b. No new water well is proposed with this application.

Bill Barrett Corporation Surface Use Plan LC Tribal 13H-26-46 & 16-26D-46 Pad Duchesne County, UT

- c. Should additional water sources be pursued they would be properly permitted through the State of Utah Division of Water Rights.
- d. Water use would vary in accordance with the formations to be drilled but would be up to approximately 5.41 acre feet for drilling and completion operations.

#### 6. Source of Construction Material:

- a. The use of materials would conform to 43 CFR 3610.2-3.
- b. No construction materials would be removed from the lease or EDA area.
- c. If any additional gravel is required, it would be obtained from a local supplier having a permitted source of materials within the general area.

#### 7. Methods of Handling Waste Disposal:

- a. All wastes associated with this application would be contained and disposed of utilizing approved facilities.
- b. The reserve pit would be constructed so as not to leak, break or allow any discharge.
- c. The reserve would be lined with 12 mil (minimum) thickness polyethylene nylon reinforced liner material. The liner(s) would overlay straw, dirt and/or bentonite if rock is encountered during excavation. The liner would overlap the pit walls and be covered with dirt and/or rocks to hold them in place. No trash, scrap pipe, or other materials that could puncture the liner would be discarded in the pit. A minimum of two feet of free board would be maintained between the maximum fluid level and the top of the reserve pit at all times.
- d. To deter livestock from entering the pit, the three sides exterior to the location would be fenced before drilling starts. Following the conclusion of drilling and completion activities, the fourth side would also be fenced.
- e. Drill cuttings would be contained in the pit and buried on-site for a period not to exceed six months, weather permitting
- f. Produced fluids from the well other than water would be decanted into steel test tank(s) until such time as construction of production facilities is completed. Any oil that may be accumulated would be transferred to a permanent production tank. Produced water may be used in further drilling and completion activities, evaporated in the pit, or would be hauled to one of the following state-approved disposal facilities:

#### **Disposal Facilities**

1. RNI Industries, Inc. – Pleasant Valley Disposal Pits, Sec. 25, 26, 35 & 36,

#### **Disposal Facilities**

#### T4S-R3W

- 2. Pro Water LLC Blue Bench 13-1 Disposal Well (43-013-30971) NENE, Sec. 13, T3S-R5W
- 3. RN Industries, Inc. Bluebell Disposal Ponds, Sec. 2, 4 & 9, T2S-R2W
- 4. Water Disposal, Inc. Harmston 1-32-A1 Disposal Well (43-013-30224), UTR #00707, Sec. 32, T1S-R1W
- 5. Unified Water Pits Sec. 31, T2S-R4W
- 6. Iowa Tank Line Pits 8500 BLM Fence Road, Pleasant Valley
- 7. Western Water Solutions Sand Pass Ranch, Sections 9 and 10, T4S-R1W, permit #WD-01-2011
- g. Any salts and/or chemicals, which are an integral part of the drilling system, would be disposed of in the same manner as the drilling fluid.
- h. Any spills of oil, condensate, produced or frac water, drilling fluids, or other potentially deleterious substances would be recovered and either returned to its origin or disposed of at an approved disposal site, most likely in Duchesne, Utah.
- i. Chemicals on the EPA's Consolidated List of Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act of 1986 (SARA) may be used or stored in quantities over reportable quantities. In the course of drilling, BBC could potentially store and use diesel fuel, sand (silica), hydrochloric acid, and CO<sub>2</sub> gas, all described as hazardous substances in 40 CFR Part 302, Section 302.4, in quantities exceeding 10,000 pounds. In addition, natural gas condensate and crude oil and methanol may be stored or used in reportable quantities. Small quantities of retail products (paint/spray paints, solvents {e.g., WD-40}, and lubrication oil) containing non-reportable volumes of hazardous substances may be stored and used on site at any time. No extremely hazardous substances, as defined in 40 CFR 355, would be used, produced, stored, transported or disposed of in association with the drilling, testing or completion of the wells.
- j. Portable toilets and trash containers would be located onsite during drilling and completion operations. A commercial supplier would install and maintain portable toilets and equipment and would be responsible for removing sanitary waste. Sanitary waste facilities (i.e. toilet holding tanks) would be regularly pumped and their contents disposed of at approved sewage disposal facilities in Duchesne, and/or Uintah Counties, in accordance with applicable rules and regulations regarding sewage treatment and disposal. Accumulated trash and nonflammable waste materials would be hauled to an approved landfill once a week or as often as necessary. All debris and waste materials not contained in the trash containers would be cleaned up, removed from the construction ROW, well pad, or worker housing location, and disposed of at an approved landfill. Trash would be cleaned up everyday.

Bill Barrett Corporation Surface Use Plan LC Tribal 13H-26-46 & 16-26D-46 Pad Duchesne County, UT

- k. Sanitary waste equipment and trash bins would be removed from the Project Area upon completion of access road or pipeline construction; following drilling and completion operations at an individual well pad; when worker housing is no longer needed; or as required.
- 1. A flare pit may be constructed a minimum of 110' from the wellhead(s) and may be used during completion work. In the event a flare pit proves to be unworkable, a temporary flare stack or open top tank would be installed. BBC would flow back as much fluid and gas as possible into pressurized vessels, separating the fluids from the gas. In some instances, due to the completion fluids utilized within the Project Area, it is not feasible to direct the flow stream from the wellbore through pressurized vessels. In such instances BBC proposes to direct the flow to the open top tanks until flow through the pressurized vessels is feasible. At which point the fluid would either be returned to the reserve pit or placed into a tank(s). The gas would be directed to the flare pit, flare stack (each with a constant source of ignition), or may be directed into the sales pipeline.
- m. Hydrocarbons would be removed from the reserve pit would as soon as practical. In the event immediate removal is not practical, the reserve pit would be flagged overhead or covered with wire or plastic mesh to protect migrating birds.

#### 8. <u>Ancillary Facilities:</u>

- a. Garbage containers and portable toilets would be located on the well pad.
- b. On well pads where active drilling and completion is occurring, temporary housing would be provided on location for the well pad supervisor, geologist, tool pusher, and others that are required to be on location at all times. The well pad could include up to five single wide mobile homes or fifth wheel campers/trailers.
- c. A surface powerline corridor is not proposed at this time but may be proposed in the future when infrastructure becomes available.

#### 9. Well Site Layout:

- a. The well would be properly identified in accordance with 43 CFR 3162.6.
- b. The pad layout, cross section diagrams and rig layout are enclosed (see Figures 1 and 2).
- c. The pad and road designs are consistent with industry specifications.
- d. The pad has been staked at its maximum size of 384 feet x 305 feet with an inboard reserve pit size of 210 feet x 100 feet x 8 feet deep. See section 12.d below for disturbance estimates.

Bill Barrett Corporation Surface Use Plan LC Tribal 13H-26-46 & 16-26D-46 Pad Duchesne County, UT

- e. Within the approved well pad location, a crawler tractor would strip whatever topsoil is present and stockpile it along the edge of the well pad for use during reclamation. Vegetation would be distributed along the sides of the well pad.
- f. Fill from pit excavation would be stockpiled along the edge of the pit and the adjacent edge of the well pad.
- g. Use of erosion control measures, including proper grading to minimize slopes, diversion terraces and ditches, mulching, terracing, riprap, fiber matting, temporary sediment traps, and broad-based drainage dips or low water crossings would be employed by BBC as necessary and appropriate to minimize erosion and surface runoff during well pad construction and operation. Cut and fill slopes would be constructed such that stability would be maintained for the life of the activity.
- h. All cut and fill slopes would be such that stability can be maintained for the life of the activity.
- i. Diversion ditches would be constructed, if necessary, around the well site to prevent surface waters from entering the well site area.
- j. Water application may be implemented if necessary to minimize the amount of fugitive dust.
- k. All surface disturbing activities would be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.

#### 10. Plan for Restoration of the Surface:

- a. A site specific reclamation plan would be submitted, if requested, within 90 days of location construction to the surface managing agency.
- b. Site reclamation would be accomplished for portions of the well pad not required for the continued operation of the well on this pad within six months of completion, weather permitting.
- c. The operator would control noxious weeds along access road use authorizations and well site by spraying or mechanical removal, according to the Utah Noxious Weed Act and as set forth in the approved surface damage agreements.
- d. Rat and mouse holes would be filled and compacted from bottom to top immediately upon release of the drilling rig from location. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. The reserve pit would be allowed to dry prior to the commencement of backfilling work. No attempts would be made to backfill the reserve pit until it is free of standing water. Once dry, the liner would be torn and perforated before backfilling.

Bill Barrett Corporation Surface Use Plan LC Tribal 13H-26-46 & 16-26D-46 Pad Duchesne County, UT

- e. The reserve pit and that portion of the location not needed for production facilities/operations would be recontoured to the approximate natural contours. Areas not used for production purposes would be backfilled and blended into the surrounding terrain, reseeded and erosion control measures installed. Mulching, erosion control measures and fertilization may be required to achieve acceptable stabilization. Back slopes and fore slopes would be reduced as practical and scarified with the contour. The reserved topsoil would be evenly distributed over the slopes and scarified along the contour. Slopes would be seeded with the landowner specified seed mix.
- f. Topsoil salvaged from the drill site and stored for more than one year would be placed at the location indicated on the well site layout drawing and graded to a depth optimum to maintain topsoil viability, seeded with the landowner prescribed seed mixture and covered with mulch for protection from wind and water erosion and to discourage the invasion of weeds.

#### 11. Surface and Mineral Ownership:

- a. Surface ownership Utah Division of Wildlife Resources (Approval Attached)
- b. Mineral ownership Ute Indian Tribe 988 South 7500 East; Ft. Duchesne, Utah 84026; 435-725-4982.

#### 12. Other Information:

- a. Montgomery Archeological Consultants has conducted a Class III archeological survey. A copy of the report has been submitted under separate cover to the appropriate agencies by Montgomery as report 11-247 dated September 29, 2011.
- b. BBC would require that their personnel, contractors, and subcontractors to comply with Federal regulations intended to protect archeological and cultural resources.
- c. Project personnel and contractors would be educated on and subject to the following requirements:
  - No dogs or firearms within the Project Area.
  - No littering within the Project Area.
  - Smoking within the Project Area would only be allowed in off-operator active locations or in specifically designated smoking areas. All cigarette butts would be placed in appropriate containers and not thrown on the ground or out windows of vehicles; personnel and contractors would abide by all fire restriction orders.
  - Campfires or uncontained fires of any kind would be prohibited.
  - Portable generators used in the Project Area would have spark arrestors.

Bill Barrett Corporation Surface Use Plan LC Tribal 13H-26-46 & 16-26D-46 Pad Duchesne County, UT

#### d. Disturbance estimates:

#### **Approximate Acreage Disturbances**

Well Pad 3.667 acres
Access 43 feet 0.012 acres

Pipeline 13 feet 0.000 acres (Included)

Total 3.679 acres

Bill Barrett Corporation Surface Use Plan LC Tribal 13H-26-46 & 16-26D-46 Pad Duchesne County, UT

#### **OPERATOR CERTIFICATION**

#### Certification:

I hereby certify that I, or someone under my direction supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein would be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application and that bond coverage is provided under Bill Barrett Corporations federal nationwide bond. These statements are subject to the provisions of 18 U.S.C. 1001 for the filings of false statements.

Executed this day of May 2012

Name: Venessa Langmacher

Position Title: Senior Permit Analyst

Address: 1099 18<sup>th</sup> Street, Suite 2300, Denver, CO 80202

Telephone: 303-312-8172

E-mail: vlangmacher@billbarrettcorp.com

Field Representative Kary Eldredge / Bill Barrett Corporation

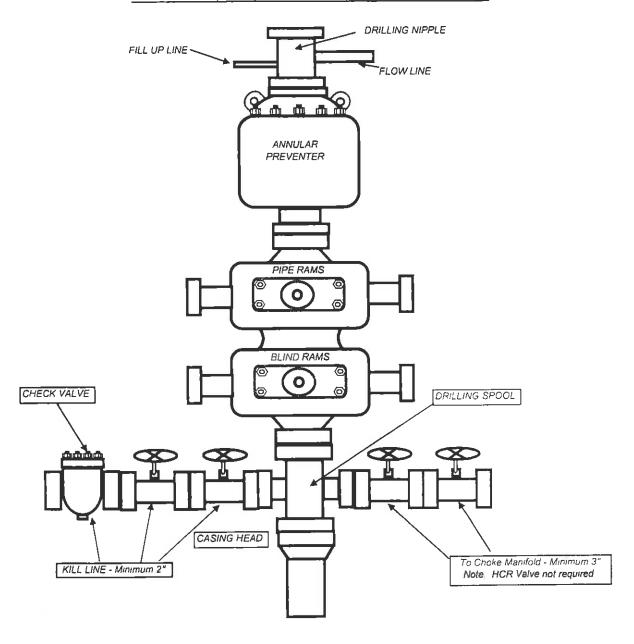
Address: 1820 W. Highway 40, Roosevelt, UT 84066 Telephone: 435-725-3515 (office); 435-724-6789 (mobile)

E-mail: keldredge@billbarrettcorp.com

Venessa Langmacher, Senior Permit Analyst

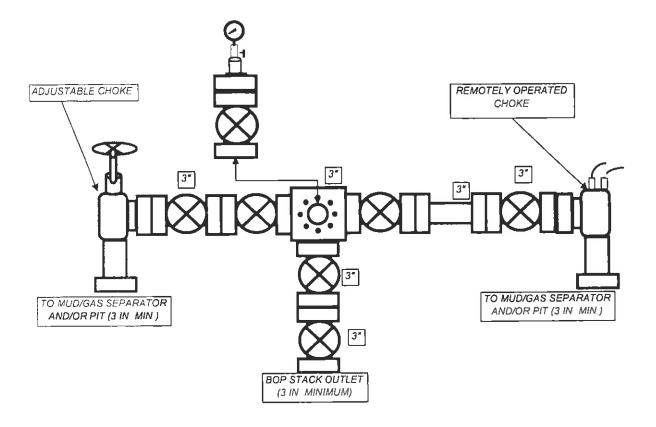
### **BILL BARRETT CORPORATION**

#### TYPICAL 5,000 p.s.i. BLOWOUT PREVENTER



### **BILL BARRETT CORPORATION**

#### TYPICAL 5,000 p.s.i. CHOKE MANIFOLD





August 3, 2012

Ms. Diana Mason – Petroleum Technician

STATE OF UTAH DIVISION OF OIL, GAS AND MINING
1594 West North Temple, Suite 1210

P. O. Box 145801

Salt Lake City, Utah 84114-5801

Re: Exception Location –LC Tribal #13H-26-46 – Lake Canyon Area

Surface Location: 724' FSL & 360' FEL, SESE, 26-T4S-R6W, USB&M Bottom Location: 800' FSL & 800' FWL, SWSW, 26-T4S-R6W, USB&M

Duchesne County, Utah

Dear Ms. Mason,

Bill Barrett Corporation ("BBC") hereby submits an exception location letter in accordance with Oil & Gas Conservation Order #139-87, requesting an exception well location, supported by the following information:

- The location is within our Lake Canyon Area.
- BBC is requesting an exception to Spacing Order #139-87 by drilling multiple well bores from a single well pad where the horizontal wellbore will strictly produce hydrocarbons from the Uteland Butte formation and the other vertical wellbore will produce from formations excluding the Uteland Butte. This well configuration results in the wellbores being closer than the 1,320 feet allowed by spacing order.
- This will allow for a more efficient drainage of the reservoir formation being targeted.
- The exception location is due to topography requirements and to minimize surface disturbance.
- BBC certifies that it is the working interest owner along with Ute Energy Upstream Holding, LLC and Berry Petroleum Company (who also consent to this exception location request), and together we own 100% of the working interest within 460 feet of the proposed well location.
- Our rights are owned under an Exploration and Development Agreement with the Ute Indian
  Tribe and Ute Distribution Corporation which provides for the drilling of exploratory wells.
  This agreement provides that we consult with these owners regarding the drilling of this well.

Based on the information provided, BBC requests the Division grant this exception to the locating, siting and spacing requirements of Order #139-87. Should you have any questions or need further information, please contact me at 303-312-8544.

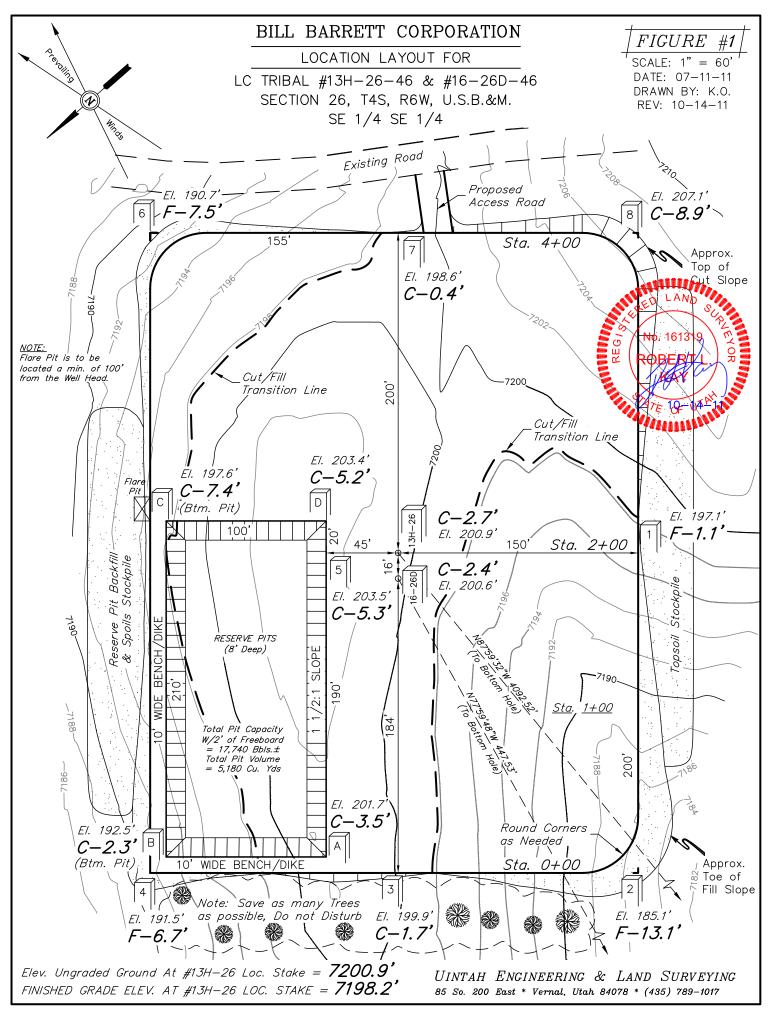
Sincerely,

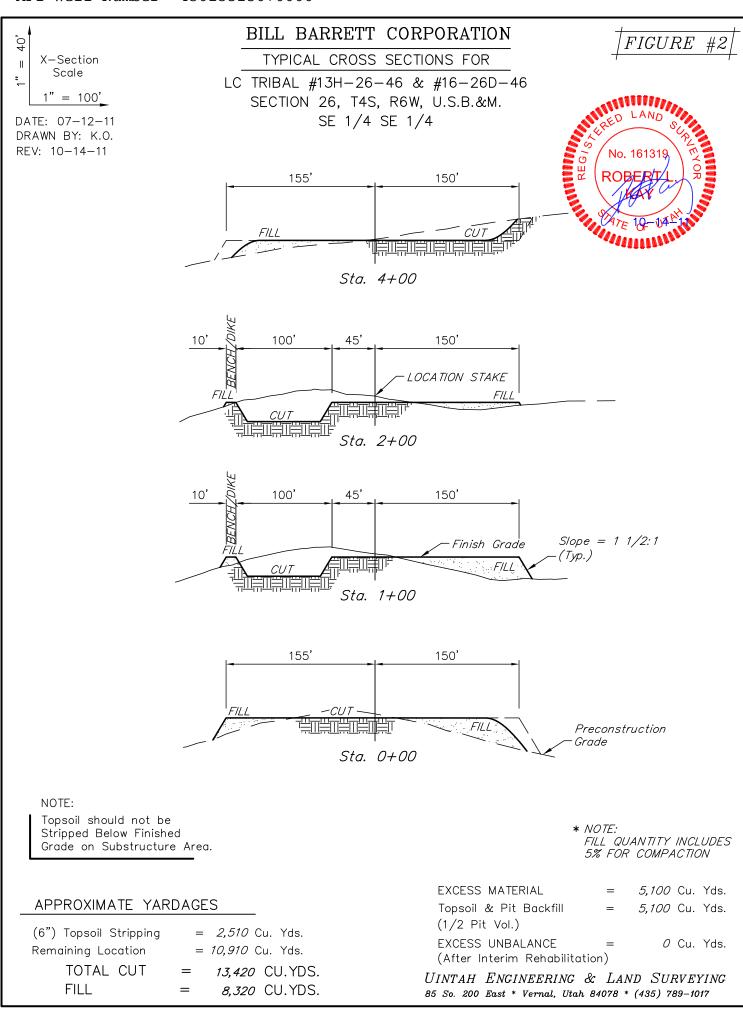
David Watts Landman

Venera Langmacher

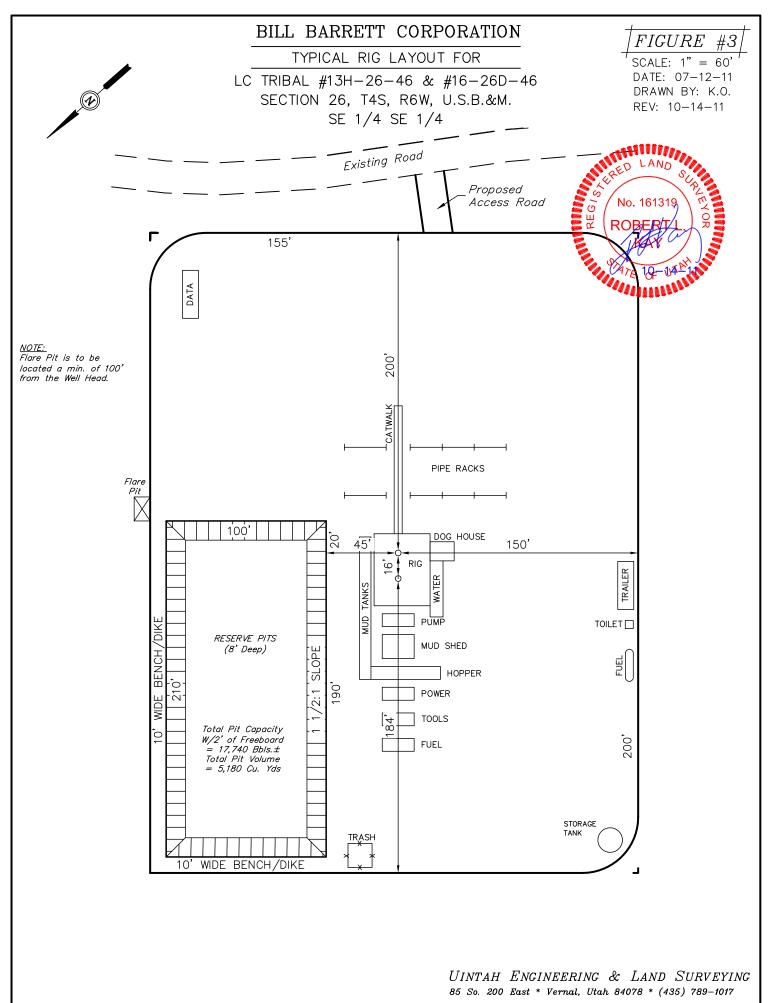
1099 18<sup>TH</sup> STREET
SUITE 2300
DENVER, CO 80202
P 303.293.9100
F 303.291.0420

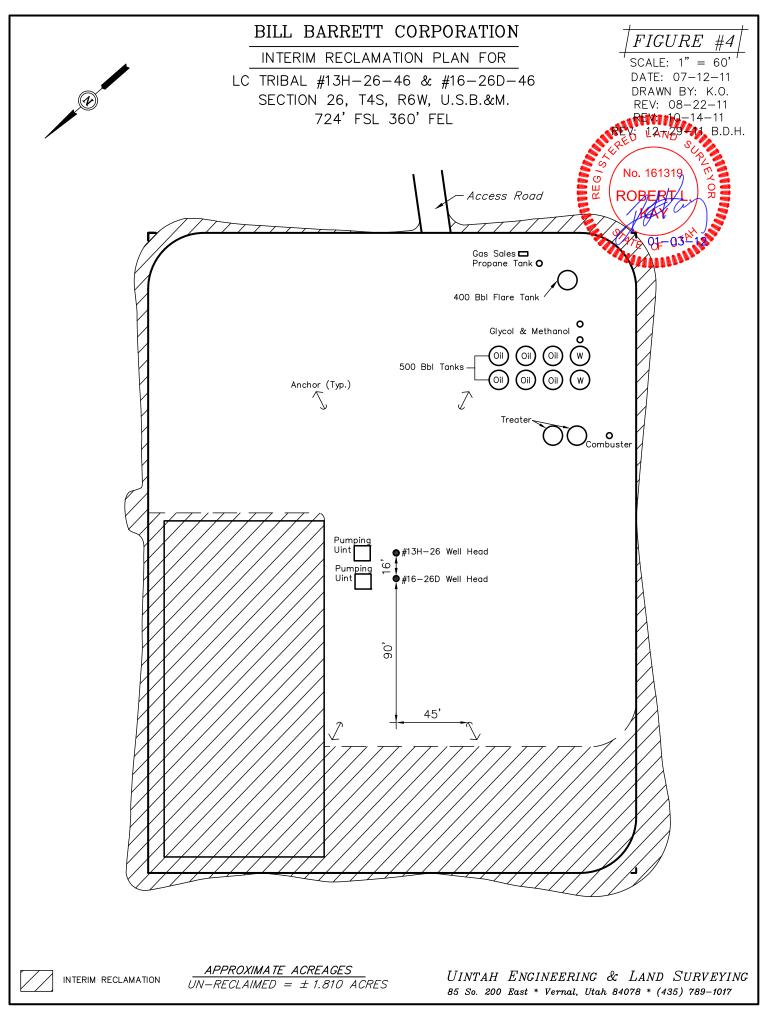
RECEIVED: June 27, 2012

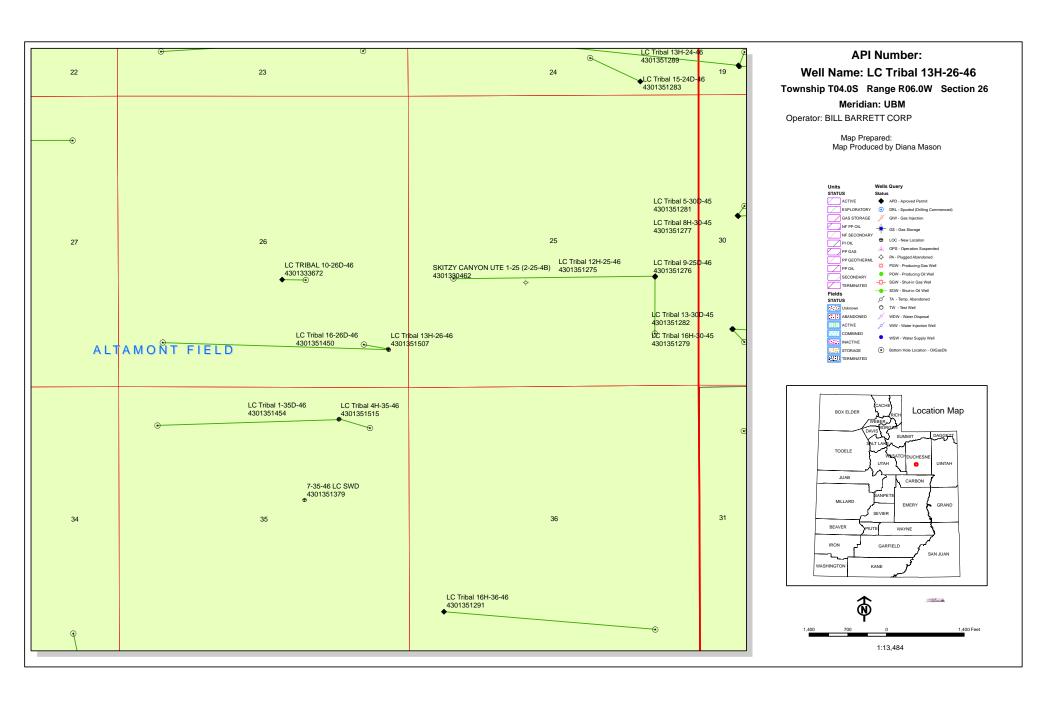




RECEIVED: June 27, 2012







# ON-SITE PREDRILL EVALUATION

### Utah Division of Oil, Gas and Mining

OperatorBILL BARRETT CORPWell NameLC Tribal 13H-26-46

API Number 43013515070000 APD No 6240 Field/Unit ALTAMONT

**Location: 1/4,1/4** SESE **Sec** 26 **Tw** 4.0S **Rng** 6.0W 724 FSL 360 FEL

GPS Coord (UTM) 540742 4438586 Surface Owner

### **Participants**

Trevor Anderson (UELS), Kary Eldredge (BBC), Don Hamilton, James Hereford (BLM), Keith Montgomery (Archeologist), Matt Serfustinni (EIS), Ben Williams and Alex Hansen (DWR)

### Regional/Local Setting & Topography

This location sits near the top of a hill and slopes steeply off to the east and more gradual to the west. The area around this location has been cleared for wildlife habitat by the surface owner DWR. The location sits at the top of the divide between Skitzy Canyon and Indian Canyon. Drainage is toward Starvation Reservoir approximately 4.5 miles to the north.

#### Surface Use Plan

**Current Surface Use** 

Wildlfe Habitat

New Road Miles Well Pad Src Const Material Surface Formation

0.01 Width 305 Length 400 Onsite UNTA

**Ancillary Facilities** N

Waste Management Plan Adequate? Y

### **Environmental Parameters**

Affected Floodplains and/or Wetlands N

#### Flora / Fauna

This site supports use of large game animals such as deer and elk.

Fairly thick grasses, mahogany, sage.

This site was pinion and juniper but was cleared of trees by the DWR

### Soil Type and Characteristics

Loamy soil, scattered shale on surface with some large sand stone chunks

**Erosion Issues** N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

RECEIVED: August 08, 2012

### Berm Required? N

### **Erosion Sedimentation Control Required?** N

Paleo Survey Run? Paleo Potental Observed? N Cultural Survey Run? Y Cultural Resources? N

### Reserve Pit

Site-Specific Factors	Site Ran	king	
Distance to Groundwater (feet)	> 200	0	
Distance to Surface Water (feet)	> 1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	TDS>5000 and	10	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)	10 to 20	5	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	45	1 Sensitivity Level

### Characteristics / Requirements

The reserve pit as proposed is 210' x 100' 8' deep and is placed in a cut stabel location. BBC typically uses a 16 mil liner and this will be adequate for this site.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

### **Other Observations / Comments**

This is a 2 well pad for the LC Tribal 13H-26-46 and 16-26D-46

Richard Powell 4/17/2012

Evaluator Date / Time

RECEIVED: August 08, 2012

# Application for Permit to Drill Statement of Basis

### Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	<b>CBM</b>
6240	43013515070000 LOCKED		OW	S	No
Operator	BILL BARRETT CORP				
Well Name	LC Tribal 13H-26-46	ibal 13H-26-46 Unit			
Field	ALTAMONT	DRILL			
Location	SESE 26 4S 6W U (UTM) 540715E 44388		360 FEL GPS Coord		

### **Geologic Statement of Basis**

The mineral rights for the proposed well are owned by the Ute Tribe. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cement programs.

Brad Hill 7/3/2012
APD Evaluator Date / Time

### **Surface Statement of Basis**

This onsite inspection was scheduled by James Hereford of the BLM along with Bill Barrett Corporation. The surface owner is the Utah DWR. Ben Williams and Alex Hansen of the DWR were both in attendance. The DWR has cleared the trees from this site in order to improve wildlife habitat but during the onsite inspection Mr. Williams stated that the DWR is satisfied with the placement of the location and was allowed opportunity for comment during the staking of the well. Kary Eldredge of Bill Barrett stated that a 16 mil liner will be used and this appears adequate for this site.

Richard Powell 4/17/2012
Onsite Evaluator Date / Time

#### Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

RECEIVED: August 08, 2012

# WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 6/27/2012	API NO. ASSIGNED: 43013515070000
AI D RECEIVED. 0/21/2012	AT 110. ASSISTED: 43013313070000

WELL NAME: LC Tribal 13H-26-46

OPERATOR: BILL BARRETT CORP (N2165) PHONE NUMBER: 303 312-8172

**CONTACT:** Venessa Langmacher

PROPOSED LOCATION: SESE 26 040S 060W Permit Tech Review:

SURFACE: 0724 FSL 0360 FEL Engineering Review:

BOTTOM: 0800 FSL 0800 FWL Geology Review:

**COUNTY: DUCHESNE** 

LATITUDE: 40.09866 LONGITUDE: -110.52233 UTM SURF EASTINGS: 540715.00 NORTHINGS: 4438817.00

FIELD NAME: ALTAMONT LEASE TYPE: 2 - Indian

LEASE NUMBER: 20G0005500 PROPOSED PRODUCING FORMATION(S): UTELAND BUTTE

SURFACE OWNER: 3 - State COALBED METHANE: NO

RECEIVED AND/OR REVIEWED: LOCATION AND SITING:

**■ Bond:** INDIAN - LPM8874725 **Unit:** 

Potash R649-3-2. General

Oil Shale 190-5

Oil Shale 190-13

Water Permit: 43-180 Board Cause No: Cause 139-87

RDCC Review: Effective Date: 12/6/2011

Fee Surface Agreement Siting: (4) Producing Grrv-Wstc Wells in Sec Drl Unit

Intent to Commingle R649-3-11. Directional Drill

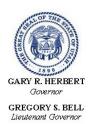
Commingling Approved

Comments: Presite Completed SURF OWNER DWR:

Stipulations: 1 - Exception Location - bhill

4 - Federal Approval - dmason 5 - Statement of Basis - bhill

27 - Other - bhill



### State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

### Permit To Drill

\*\*\*\*\*

Well Name: LC Tribal 13H-26-46 **API Well Number:** 43013515070000

**Lease Number:** 20G0005500

Surface Owner: STATE Approval Date: 8/8/2012

#### Issued to:

BILL BARRETT CORP, 1099 18th Street Ste 2300, Denver, CO 80202

### Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 139-87. The expected producing formation or pool is the UTELAND BUTTE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

#### **Duration:**

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

### **Exception Location:**

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

### **General:**

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

### **Conditions of Approval:**

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

In accordance with Utah Admin. R.649-3-21, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

### **Notification Requirements:**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

• Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available) OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at http://oilgas.ogm.utah.gov

### Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) due within 5 days of spudding the well
- Monthly Status Report (Form 9) due by 5th day of the following calendar month
  - Requests to Change Plans (Form 9) due prior to implementation
  - Written Notice of Emergency Changes (Form 9) due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) due prior to implementation
  - Report of Water Encountered (Form 7) due within 30 days after completion
- Well Completion Report (Form 8) due within 30 days after completion or plugging

Approved By:

For John Rogers Associate Director, Oil & Gas

## RECEIVED

**UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT FORM APPROVED OMB No. 1004-0136 Expires July 31, 2010

Lease Serial No.

20G0005500

APPLICATION FOR PERMIT	TO DRILL OR RI	EEMSER IVI	6. If Indian, Allottee or	Tribe Name
1a. Type of Work: DRILL REENTER			7. If Unit or CA Agreem	ent, Name and No.
1b. Type of Well: ☑ Oil Well ☐ Gas Well ☐ Ot	her Sin	gle Zone 🙀 Multiple Zone	8. Lease Name and Well LC TRIBAL 13H-26	
	VENESSA LANGN acher@billbarrettcorp.com		9. API Well No. 43-013-51	<u> </u>
3a. Address 1099 18TH STREET SUITE 2300 DENVER, CO 80202	3b. Phone No. (inclu Ph: 303-312-817 Fx: 303-291-042	72	10. Field and Pool, or Ex ALTAMONT	ploratory
4. Location of Well (Report location clearly and in accord	ance with any State req	uirements.*)	11. Sec., T., R., M., or B	lk. and Survey or Area
At surface SESE 724FSL 360FEL 40	.098814 N Lat, 110	.521619 W Lon	Sec 26 T4S R6W	Mer UBM
At proposed prod. zone SWSW 800FSL 800FWL 4	40.099183 N Lat, 1	10.536944 W Lon		
<ol> <li>Distance in miles and direction from nearest town or post</li> <li>MILES SOUTHWEST OF DUCHESNE, UT</li> </ol>			12. County or Parish DUCHESNE	13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 800' (BOTTOM HOLE)	16. No. of Acres in I 123995.00	ease	17. Spacing Unit dedicate 640.00	ed to this well
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. NONE	19. Proposed Depth 9882 MD 5931 TVD		20. BLM/BIA Bond No. LPM8874725	on file
21. Elevations (Show whether DF, KB, RT, GL, etc. 7201 GL	22. Approximate date 07/01/2012	e work will start	23. Estimated duration 60 DAYS (D&C)	
	24. Att	achments		<del></del>
The following, completed in accordance with the requirements o	f Onshore Oil and Gas (	Order No. 1, shall be attached to t	his form:	
<ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan.</li> <li>A Surface Use Plan (if the location is on National Forest Syst SUPO shall be filed with the appropriate Forest Service Off</li> </ol>	em Lands, the ice).	4. Bond to cover the operatio Item 20 above). 5. Operator certification 6. Such other site specific infauthorized officer.	•	
25. Signature (Electronic Submission)	Name (Printed/Typed) VENESSA LAN	I ) IGMACHER Ph: 303-312	-8172	Date 05/10/2012
Title SENIOR PERMIT ANALYST				- <u> </u>
Approved by (Signature)	Name (Printed/Typed)	Jerry Kenczka	1	PAPR 1 1 2013
Title Assistant Field Manager Lands & Mineral Resources	Office VEF	RNAL FIELD OFFICE		<u> </u>
Application approval does not warrant or certify the applicant hoperations thereon.  Conditions of approval, if any, are attached.  CONDIT		le to those rights in the subject le	ase which would entitle the	applicant to conduct
Fitle 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, no States any false, fictitious or fraudulent statements or representations.	nake it a crime for any p	person knowingly and willfully to	make to any department or	-
				RECEIVED
Additional Operator Remarks (see next page) Electronic Submissi	on #137685 verifie	d by the BLM Well Inform	nation System	APR 1 6 2013
		RATION, sent to the Ver by LESLIE ROBINSON on	nal   05/22/2012 ()   Di'	/ OF OIL, GAS ANINING

**IOTICE OF APPROVAL** 

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*



### UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE**

**VERNAL, UT 84078** 

(435) 781-4400



### CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Well No: API No:

**Bill Barrett Corporation** LC Tribal 13H-26-46

43-013-51507

Location: Lease No:

Agreement:

**SESE, Sec. 26, T4S, R6W** 

2OG0005500

Lake Canvon EDA

**OFFICE NUMBER:** 

(435) 781-4400

**OFFICE FAX NUMBER: (435) 781-3420** 

### A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

### NOTIFICATION REQUIREMENTS

Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig.
Spud Notice (Notify BLM Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify BLM Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: <a href="mailto:blm_ut_vn_opreport@blm.gov">blm_ut_vn_opreport@blm.gov</a> .
BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify BLM Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

# SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

### **Additional Stipulations:**

- Any deviation of submitted APD's, which includes BBCs surface use plan, and ROW
  applications the operator will notify the BLM in writing and will receive written authorization of
  any such change with appropriate authorization.
- The operator will implement "Safety and Emergency Plan." The operator's safety director will ensure its compliance.
- All operator employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's, COAs, and ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations shall be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.
- Noxious weeds will be treated, monitored, and controlled along both the access road, pipeline
  route, and on the well pad itself.
- Insure topsoil stability on location and use topsoil for interim reclamation as soon as possible to
  maintain viability of the topsoil resource. If stored for a longer period of time then topsoil will be
  maintained to increase viability until the resource can be used for reclamation purposes only.
- All above ground production facilities will be painted Beetle Green on all locations to help blend in with the surrounding habitat, unless otherwise directed by the landowner (UDWR) or BLM AO.
- The operator must conduct operations to minimize adverse effects to surface and subsurface resources. This will be accomplished by staying on the approved acres of disturbance, and conforming to dust mitigation technology and doing interim reclamation practices on unused portions of the proposal.
- Any special mitigation set up within the Easement Agreement No. DUCH-1110EA-0232 by the UDWR will be followed and implemented on the ground.
- There is a wintering big game restriction in place on this location, no surface use from, December 1<sup>st</sup> to April 15<sup>th</sup>.
- Site reclamation will be accomplished for portions of the well pad not needed for production, within 6 months of completion, weather permitting. This also includes any roads, and pipeline areas that have been disturbed as well. Road areas not being used and pipeline disturbances can undergo reclamation immediately after the pipeline is installed and after the roads are built. Please contact the private landowner for seed mixes that work in the area. This could also be included in the reclamation plan from BBC. Seeds must be planted in August and prior to ground freeze. Non-natives can be used; however lbs/ac must be kept low to minimize the chance of a monoculture.

# DOWNHOLE PROGRAM CONDITIONS OF APPROVAL (COAs)

### SITE SPECIFIC DOWNHOLE COAs:

- A CBL shall be run from PBTD' (7 inch casing) to TOC.
- Cement for the 7 inch casing shall be brought 200' above the surface casing shoe.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

### DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- <u>Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.</u>
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
  daily drilling report. Components shall be operated and tested as required by Onshore Oil &
  Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
  performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
  reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
  is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
  Vernal Field Office.

Page 4 of 6 Well: LC Tribal 13H-26-46 4/8/2013

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
   Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum
   Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in CD (compact disc) format to the Vernal BLM Field Office. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

#### **OPERATING REQUIREMENT REMINDERS:**

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at <a href="https://www.ONRR.gov">www.ONRR.gov</a>.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
  notified when it is placed in a producing status. Such notification will be by written
  communication and must be received in this office by not later than the fifth business day
  following the date on which the well is placed on production. The notification shall provide, as a
  minimum, the following informational items:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - o The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if

Page 6 of 6 Well: LC Tribal 13H-26-46 4/8/2013

performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM. Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
  to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
  first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
  adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
  sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
  equipment shall be removed from a well to be placed in a suspended status without prior
  approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
  days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
  before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Sundry Number: 40117 API Well Number: 43013515070000

	STATE OF UTAH			FORM 9
ı	DEPARTMENT OF NATURAL RESC DIVISION OF OIL, GAS, AND		ì	5.LEASE DESIGNATION AND SERIAL NUMBER: 20G0005500
SUNDRY NOTICES AND REPORTS ON WELLS				6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	oposals to drill new wells, significa reenter plugged wells, or to drill ho n for such proposals.			7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Oil Well				8. WELL NAME and NUMBER: LC TRIBAL 13H-26-46
2. NAME OF OPERATOR: BILL BARRETT CORP				9. API NUMBER: 43013515070000
3. ADDRESS OF OPERATOR: 1099 18th Street Ste 2300	, Denver, CO, 80202		NE NUMBER: 312-8134 Ext	9. FIELD and POOL or WILDCAT: ALTAMONT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0724 FSL 0360 FEL				COUNTY: DUCHESNE
QTR/QTR, SECTION, TOWNSH Qtr/Qtr: SESE Section: 2	HIP, RANGE, MERIDIAN: 6 Township: 04.0S Range: 06.0W N	Meridian: l	U	STATE: UTAH
11. CHEC	K APPROPRIATE BOXES TO IND	ICATE NA	ATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION			TYPE OF ACTION	
	COMPLETED OPERATIONS. Clearly s  acidize  change to previous plans  change well status  deepen  operator change  production start or resume  reperforate current formation  tubing repair  water shutoff  wildcat well determination  COMPLETED OPERATIONS. Clearly s  uests an extension on thi  8/8/2013	C C C F F C F C F C F C F C F C F C F C	_	CASING REPAIR  CHANGE WELL NAME  CONVERT WELL TYPE  NEW CONSTRUCTION  PLUG BACK  RECOMPLETE DIFFERENT FORMATION  TEMPORARY ABANDON  WATER DISPOSAL  ✓ APD EXTENSION  OTHER:  Depths, volumes, etc.  Approved by the Utah Division of Oil, Gas and Mining  Date: July 17, 2013  By:
NAME (PLEASE PRINT) Christina Hirtler	<b>PHONE N</b> 303 312-8597	UMBER	TITLE Administrative Assistant	
SIGNATURE			DATE 7/16/2013	

Sundry Number: 40117 API Well Number: 43013515070000



### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

### Request for Permit Extension Validation Well Number 43013515070000

API: 43013515070000 Well Name: LC TRIBAL 13H-26-46

Location: 0724 FSL 0360 FEL QTR SESE SEC 26 TWNP 040S RNG 060W MER U

Company Permit Issued to: BILL BARRETT CORP

Date Original Permit Issued: 8/8/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

·g u	- · · · · · · · · · · · · · · · · · · ·
<ul> <li>If located on private land, has Yes </li> <li>No</li> </ul>	the ownership changed, if so, has the surface agreement been updated? 🔵
Have any wells been drilled in requirements for this location?	the vicinity of the proposed well which would affect the spacing or siting ?
Has there been any unit or oth proposed well?     Yes	er agreements put in place that could affect the permitting or operation of this No
Have there been any changes proposed location?     Yes	to the access route including ownership, or rightof- way, which could affect the No
• Has the approved source of wa	ater for drilling changed? 🔘 Yes 📵 No
	changes to the surface location or access route which will require a change in d at the onsite evaluation? ( Yes ( No
• Is bonding still in place, which	covers this proposed well?   Yes   No
nature: Christina Hirtler	Date: 7/16/2013

Sig

Title: Administrative Assistant Representing: BILL BARRETT CORP

Sundry Number: 53137 API Well Number: 43013515070000

	STATE OF UTAH		FORM 9		
	DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MININ		5.LEASE DESIGNATION AND SERIAL NUMBER:		
	20G0005500				
SUNDF	RY NOTICES AND REPORTS O	N WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:		
	oposals to drill new wells, significantly de reenter plugged wells, or to drill horizonta n for such proposals.		7.UNIT or CA AGREEMENT NAME:		
1. TYPE OF WELL			8. WELL NAME and NUMBER:		
Oil Well			LC TRIBAL 13H-26-46		
2. NAME OF OPERATOR: BILL BARRETT CORP			9. API NUMBER: 43013515070000		
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 0724 FSL 0360 FEL			COUNTY: DUCHESNE		
QTR/QTR, SECTION, TOWNS	<b>HIP, RANGE, MERIDIAN:</b> 6 Township: 04.0S Range: 06.0W Meridiai	n: U	STATE: UTAH		
11. CHEC	K APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPOR	RT, OR OTHER DATA		
TYPE OF SUBMISSION		TYPE OF ACTION			
	ACIDIZE	ALTER CASING	CASING REPAIR		
NOTICE OF INTENT Approximate date work will start:		1			
8/8/2015	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME		
	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE		
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	NEW CONSTRUCTION		
	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK		
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION		
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON		
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL		
DRILLING REPORT	☐ WATER SHUTOFF ☐	SI TA STATUS EXTENSION	✓ APD EXTENSION		
Report Date:	WILDCAT WELL DETERMINATION	OTHER	OTHER:		
		OTHER			
I .	COMPLETED OPERATIONS. Clearly show all reby request a one year extens		Approved by the		
DDC Hei	eby request a one year extens	OII IOI AFD	Utulk DO(120/14of		
			Oil, Gas and Mining		
			Date		
			Date:		
			By: Dady		
			33		
NAME (PLEASE PRINT) Christina Hirtler	<b>PHONE NUMBER</b> 303 312-8597	TITLE Administrative Assistant			
SIGNATURE		DATE 7/0/2014			
N/A		7/9/2014			

Sundry Number: 53137 API Well Number: 43013515070000



### The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices** 

### Request for Permit Extension Validation Well Number 43013515070000

API: 43013515070000 Well Name: LC TRIBAL 13H-26-46

Location: 0724 FSL 0360 FEL QTR SESE SEC 26 TWNP 040S RNG 060W MER U

Company Permit Issued to: BILL BARRETT CORP

**Date Original Permit Issued:** 8/8/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

• If located on private land, has the ownership changed, if so, has the surface agreement been updated?  Yes  No
<ul> <li>Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?</li> <li>Yes</li> <li>No</li> </ul>
• Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes  No
• Has the approved source of water for drilling changed?   Yes  No
<ul> <li>Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?</li> <li>Yes</li> <li>No</li> </ul>
• Is bonding still in place, which covers this proposed well?   Yes   No
matura. Christina Hintler Pater 7/0/2044

Signature: Christina Hirtler **Date:** 7/9/2014

Title: Administrative Assistant Representing: BILL BARRETT CORP

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SIGNATED OPERATOR	ARRETT CORP	ACCO	<u></u>	ATOR APPROVED BY BLM	BIA		
ELD NAME ALTAMONT	FIEL	D NUMBER 55	FIRST PRODUCTION	U TTT NC	A   PA DATE		
ELL LOCATION		CONFIDEN	ITIAL FLAG	LEASE NUM	BER 20G0005500	<del></del> [	
URF LOCATION 0724 FSL 0360	FEL	CONFIDEN	ITIAL DATE	MINERAL LEASE T	YPE 2 -		
QQ. S. T. R. M. SESE 26	04.0 S 06.0 W U		<u> </u>	SURFACE OWNER T			
COUNTY DUCHESME	· · · · ·	HORIZONTAL	<u>'</u>	INDIAN TI			
TAI COORDINATES		_ COMMINGLED PRO	•	C.A. NUM	BER		
SURFACE - N 4438817.00	BHL - N 4438855		BELD TYPE D -	UNIT NAME		<del>-</del>	
SURFACE - E 540715.00	BHL - E 539471		1	'	ATIVE PRODUCTION:		
TITUDE 40.09866			TTAX FLAG	ComoLi	OIL	-	
HIGHTUDE -110.52233			IANE FLAG		GAS	-	
			ELEVATION 7201 GR	w	ATER	-	
WELL FILES WELL PHOT	PROD. GRAPI	H DONO BUMI	BER / TYPE   LPM8874725	2 _			
SURF OWNER OWR	:130717 1YR APD EXT:1	40710 1YR APD EXT:14	0924 LA PER OP.				
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### State of Utah

### **DEPARTMENT OF NATURAL RESOURCES**

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

September 25, 2014

Venessa Langmacher Bill Barrett Corporation 1099 18<sup>th</sup> Street, Suite 2300 Denver, CO 80202

RE: APDs Rescinded for Bill Barrett Corporation, Duchesne County, Utah

Dear Ms. Langmacher:

As requested, attached is a list of the APD's that the Division of Oil, Gas and Mining "the Division" has rescinded. No drilling activity at these locations has been reported to the Division. Therefore, approval to drill these wells is hereby rescinded, effective September 24, 2014.

New APDs must be filed with this office for approval <u>prior</u> to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on these well locations, it is imperative that you notify the Division immediately.

Sincerely,

Lisha Cordova

**Environmental Scientist** 

LC

Attachment: (1)

cc: Well File

Bureau of Land Management, Vernal



Page 2 September 25, 2014 APDs Rescinded eff. 9/24/14

43-013-51507- LC Tribal 13H-26-46 43-013-51664- LC Tribal 5H-26-46 43-013-51397- LC Tribal 13H-23-46 43-013-51506- LC Tribal 13H-34-46 43-013-51655- LC Tribal 5H-23-46



Lisha Cordova < lishacordova@utah.gov>

### Fwd: Rescind Permits Please:)

1 message

Bradley Hill <br/>bradhill@utah.gov>

To: "Cordova, Lisha" < lishacordova@utah.gov>

Wed, Sep 24, 2014 at 9:13 AM

Brad Hill P.G.
O & G Permitting Manager/Petroleum Geologist
State of Utah
Division of Oil, Gas, & Mining
Phone: (801)538-5315
Fax: (801)359-3940
email: bradhill@utah.gov

----- Forwarded message -----

From: Venessa Langmacher <vlangmacher@billbarrettcorp.com>

Date: Tue, Sep 23, 2014 at 1:25 PM Subject: Rescind Permits Please :)

To: "bradhill@utah.gov" <bradhill@utah.gov>

Good Afternoon Brad.

Could you please cancel the following permits?

4301351507 LC Tribal 13H-26-46

4301351664 LC Tribal 5H-26-46

4301351397 LC Tribal 13H-23-46

4301351506 LC Tribal 13H-34-46

4301351655 LC Tribal 5H-23-46

Please let me know if you have any questions or need any additional information.

Thanks,

Venessa Langmacher

Senior Permit Analyst

BILL BARRETT CORPORATION

1099 18th Street | Suite 2300

Denver, CO 80202

D 303.312.8172 | F 303.291.0420

vlangmacher@billbarrettcorp.com

www.billbarrettcorp.com



Form 3160-5 (August 2007)

# UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FEB 1 3 2015

RECEIVED

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

#### OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. 1420H625500

EB 1 3 2015 5. 1

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals

6. If Indian, Allottee or Tribe Name UINTAH AND OURAY

SUBMIT IN TRI	7. If Unit or CA/Agree	ment, Name and/or No.			
Type of Well		8. Well Name and No. LC TRIBAL 13H-26-46			
Name of Operator     BILL BARRETT CORPORATI	Contact: C ON E-Mail: chrtler@billba	HRISTINA HIRTLER arrettcorp.com		9. API Well No. 43-013-51507-00	D-X1
3a. Address 1099 18TH STREET SUITE 2 DENVER, CO 80202	300	3b. Phone No. (include area code) Ph: 303-312-8597 Fx: 303-291-0420		10. Field and Pool, or E ALTAMONT	Exploratory
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)			11. County or Parish, a	nd State
Sec 26 T4S R6W SESE 724F 40.098814 N Lat, 110.521619		DUCHESNE CO	UNTY, UT		
12. CHECK APPE	ROPRIATE BOX(ES) TO I	NDICATE NATURE OF N	OTICE, RE	PORT, OR OTHER	DATA
TYPE OF SUBMISSION		TYPE OF	ACTION		
Notice of Intent	☐ Acidize	Deepen	☐ Production	on (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamat	ion	■ Well Integrity
☐ Subsequent Report	Casing Repair	■ New Construction	☐ Recomple	ete	Other
☐ Final Abandonment Notice	□ Change Plans	□ Plug and Abandon	☐ Temporar	rily Abandon	Change to Original A PD
	☐ Convert to Injection	☐ Plug Back	☐ Water Di	sposal	
Attach the Bond under which the wor following completion of the involved testing has been completed. Final Abdetermined that the site is ready for fit BBC is submitting this sundry expires of 4/11/2015  APD-4/11/3  NEVA-2013-140EA  CONDITIONS OF	operations. If the operation resulandonment Notices shall be filed nal inspection.) to request a two year exten	ts in a multiple completion or recording after all requirements, including sion from the date the existing RECI	mpletion in a neing reclamation, ang APD  EIVED  3 0 2015	VERNAL F ENG. SEOL.	14 shall be filed once and the operator has
	Electronic Submission #29	1639 verified by the BLM Well TT CORPORATION, sent to t ing by JOHNETTA MAGEE or	Information S the Vernal n 02/19/2015 (*	System 15JM0471SE)	
	A HIRTLER		ANALYST		
Signature (Electronic S		Date 02/13/20		· E	
· · · · · · · · · · · · · · · · · · ·		1	sistant Field		ADD 4 0 204F
Approved By				Resources	APR 1 0 2015
Conditions of appropria, if any, are attached entify that the applicant holds legal or equivalent would entitle the applicant to conduction	<ol> <li>Approval of this notice does no itable title to those rights in the su ct operations thereon.</li> </ol>	t warrant or ibject lease Office	RNAL FIE	LD OFFICE	
Fitle 18 U.S.C. Section 1001 and Title 43 U.States any false, fictitious or fraudulent st			willfully to mak	e to any department or a	gency of the United



### Revisions to Operator-Submitted EC Data for Sundry Notice #291639

**Operator Submitted** 

**BLM Revised (AFMSS)** 

Sundry Type:

OTHER NOI

Lease:

1420H625608

1420H625500

APDCH NOI

Agreement:

Operator:

BILL BARRETT CORPORATION 1099 18TH STREET SUITE 2300 DENVER, CO 80202 Ph: 303-312-8597

BILL BARRETT CORPORATION 1099 18TH STREET SUITE 2300 DENVER, CO 80202 Ph: 303.312.8546

Admin Contact:

CHRISTINA HIRTLER PERMIT ANALYST

E-Mail: chirtler@billbarrettcorp.com Cell: 303-325-4496 Ph: 303-312-8597 Fx: 303-291-0420

**Tech Contact:** 

CHRISTINA HIRTLER
PERMIT ANALYST
E-Mail: chirtler@billbarrettcorp.com
Cell: 303-325-4496
Ph: 303-312-8597
Fx: 303-291-0420

Location:

State:

County:

UT DUCHESNE

Field/Pool:

**ALTAMONT** 

Well/Facility:

LC TRIBAL 13H-26-46 Sec 26 T4S R6W Mer UBM SESE 724 FSL 360FEL

CHRISTINA HIRTLER PERMIT ANALYST

E-Mail: chrtler@billbarrettcorp.com Cell: 303-325-4496 Ph: 303-312-8597 Fx: 303-291-0420

CHRISTINA HIRTLER PERMIT ANALYST E-Mail: chrtler@billbarrettcorp.com Cell: 303-325-4496 Ph: 303-312-8597 Fx: 303-291-0420

UT DUCHESNE

**ALTAMONT** 

LC TRIBAL 13H-26-46 Sec 26 T4S R6W SESE 724FSL 360FEL 40.098814 N Lat, 110.521619 W Lon

### **CONDITIONS OF APPROVAL**

## **Bill Barrett Corporation**

# Notice of Intent APD Extension

Lease:

1420H625500

Well:

LC Tribal 13H-26-46

Location:

SESE Sec 26-T4S-R6W

An extension for the referenced APD is granted with the following conditions:

- 1. The extension and APD shall expire on 04/11/2017.
- 2. No other extensions shall be granted.

If you have any other questions concerning this matter, please contact Robin L Hansen of this office at (435) 781-2777